

CITY OF GARDEN GROVE

INTER-DEPARTMENT MEMORANDUM

To:	Matthew J. Fertal	From:	William E. Murray
Dept:	City Manager	Dept:	Public Works
Subject:	CONVEYANCE OF REAL PROPERTY AT 12571 HASTER STREET, GARDEN GROVE, TO THE ORANGE COUNTY FLOOD CONTROL DISTRICT		
		Date:	May 8, 2012

OBJECTIVE

It is requested that the Garden Grove City Council consider the conveyance of real property located at 12571 Haster Street, Garden Grove (within Twin Lakes Park), to the Orange County Flood Control District ("County").

BACKGROUND

Haster Basin ("Basin") is located within a 21.2-acre flood control facility owned and operated by the Orange County Flood Control District ("District"). In 1972 the City of Garden Grove ("City") entered into a 25-year agreement with the District to construct and maintain Twin Lakes Freedom Park ("Park") improvements around the Basin. The City operates and maintains the Park with the exception of the lake. Furthermore, the City is the owner of an 18,000 square foot portion of land ("Parcel") located in the northwest corner of the Basin.

Orange County Public Works is proposing to modify the Basin by increasing its drainage storage capacity and constructing a new pump station to discharge water from the retention basin into the Wintersberg Storm Channel. The sides of the retention basin will be steepened and the center island will be removed to increase the capacity of the basin. In addition, the District is proposing to provide a recreation area adequate for two regulation soccer fields, reconfigure and expand the current parking lot from 44 spaces to approximately 80 parking spaces, and install new exercise stations and park amenities.

On April 2, 2009, the Garden Grove Planning Commission adopted a Resolution finding that the proposed flood control improvements are consistent with the City's General Plan. On March 13, 2012, the City Council approved the District's plans and specifications for the Basin, pump station, and the recreational field project.

DISCUSSION

In a letter dated December 7, 2011, the District formally requested the City convey the Parcel in exchange for the District's construction of the additional park and recreational improvements. We note that in one place in the recitals of the Acquisition Contract, which was drafted by District based on its standard form, the conveyance is referred to as a donation. However, as the Agreement itself makes clear, this conveyance is in exchange for significant consideration and is not a donation by the City. The City's conveyance of the property to the District is in exchange for the District's development and construction of public park and recreational improvements on the property, which will be available and used

SALE OF REAL PROPERTY AT 12571 HASTER STREET, GARDEN GROVE, TO THE COUNTY OF ORANGE

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by the City and its residents for years to come. The conveyance of the Parcel to the District would assist in providing adequate setback from the soccer fields to the residential neighborhood on Sungrove Circle. The District will also be installing tubular fencing around the proposed retention basin and lighting along the pedestrian paved trail that will go around the perimeter of the basin. Upon completion of the construction, the City will continue to maintain the soccer fields, the pedestrian trail, and other park-related amenities.

The City currently spends approximately \$52,000 per year on maintenance of Twin Lakes Freedom Park. It is estimated that the cost to maintain the park with these improvements will be approximately \$118,000, a \$66,000 increase annually.

FINANCIAL IMPACT

Increased maintenance costs of the new fields associated with turf restoration, estimated at \$66,000 to be paid from the General Fund.

RECOMMENDATION

It is recommended that City Council:

- Approve the conveyance of the City-owned parcel to the Orange County Flood Control District pursuant to the terms of the Acquisition Contract;
- Authorize the City Manager to execute the Acquisition Contract, and make minor modifications as appropriate, on behalf of the City; and
- Authorize the City Manager to execute the Quitclaim Deed on behalf of the City.



WILLIAM E. MURRAY
Public Works Director



By: Carlos Marquez
Senior Real Property Agent

Attachment 1: Acquisition Contract
Attachment 2: Quitclaim Deed
Attachment 3: Map

Recommended for Approval



Matthew Fertal
City Manager

Project No.: C05B02
Project: Haster Pump Station
Parcel Nos.: 1510 and 1511

ACQUISITION CONTRACT

THIS **CONTRACT** is made _____, 20__, by and between CITY OF GARDEN GROVE, a municipal corporation, hereinafter referred to as "**GRANTOR**," and ORANGE COUNTY FLOOD CONTROL DISTRICT, a body corporate and politic, hereinafter referred to as "**DISTRICT**," without regard to number or gender. GRANTOR and DISTRICT shall sometimes hereinafter individually be referred to as "**PARTY**" or jointly as "**PARTIES**."

RECITALS

- A. DISTRICT owns that certain real property situated within the city of Garden Grove known as Haster Basin, a flood control facility (No. C05B02).
- B. GRANTOR owns that certain real property contiguous to Haster Basin designated on DISTRICT records as Parcel Nos. 1510 and 1511, hereinafter collectively referred to as the "**PROPERTY**," which is shown and described in a copy of the Quitclaim Deed attached hereto as Attachment 1.
- C. DISTRICT intends to construct certain public improvements commonly referred to as the Haster Retarding Basin Pump Station and Recreational Field Project (the "**PROJECT**"). The PROJECT includes the construction of certain park and recreational improvements on Haster Basin and the PROPERTY, which will benefit GRANTOR and its residents.
- D. In consideration for DISTRICT's construction of the PROJECT and GRANTOR's intended future use of the park and recreational improvements to be constructed as part of the PROJECT, GRANTOR desires to donate the PROPERTY to DISTRICT, and DISTRICT desires to accept the donation of the PROPERTY from GRANTOR.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, DISTRICT and GRANTOR agree as follows:

1. CONVEYANCE OF PROPERTY

Subject to and in accordance with the terms and conditions hereinafter set forth, GRANTOR agrees to convey to DISTRICT all of GRANTOR's right, title, and interest in and to the PROPERTY, upon full execution of this CONTRACT, by Quitclaim Deed substantially in the form attached hereto as Attachment 1. The executed Quitclaim Deed shall be delivered to Sergio Mora, Real Property Agent for the County of Orange, OC Public Works/Real Estate Services.

2. CONSIDERATION

It is mutually understood and agreed by and between the PARTIES hereto that GRANTOR's conveyance of the PROPERTY is in consideration of DISTRICT's future development and construction of park and recreational improvements pursuant to the PROJECT and GRANTOR's intended future use of such constructed park and recreational improvements. It is further understood and agreed as follows:

- A. DISTRICT shall be responsible for any installment of General and Special County and City Taxes, if applicable, allocable to a period subsequent to the time title is vested in, or actual possession or physical possession is taken by DISTRICT, whichever first occurs, and all taxes subsequent thereto.
- B. GRANTOR shall remain liable for payment of any taxes allocable to a period prior to the time title is vested in, or actual possession or physical possession is taken by DISTRICT, whichever first occurs, pursuant to the provisions of Sections 5084 and 5086 of the California Revenue and Taxation Code, as amended.

3. TRANSFER DISCLOSURE

GRANTOR has provided DISTRICT with an executed Real Estate Transfer Disclosure Statement concurrent with the execution of this CONTRACT by GRANTOR.

4. AS-IS ACQUISITION; DISTRICT'S DUE DILIGENCE RIGHTS

- A. DISTRICT acknowledges that it will be given an adequate opportunity to conduct such investigations, tests, and studies (collectively "Investigations") of the PROPERTY as DISTRICT may deem necessary and desirable. DISTRICT further acknowledges that it is acquiring the PROPERTY in its "AS IS" condition, and, except as otherwise expressly provided in this CONTRACT and except as required to be disclosed or otherwise action taken pursuant to federal, state or local laws and regulations, GRANTOR makes no representation or warranty of any kind as to the physical condition of the PROPERTY or in connection with any matter, report or information relating to the condition of the PROPERTY, its value, fitness, use, zoning, entitlements, moratoriums, economic feasibility, developability or any other matter relating to DISTRICT's proposed use or development of the PROPERTY.
- B. Prior to recording the Quitclaim Deed and taking possession of the PROPERTY, DISTRICT shall be entitled to conduct Investigations of the PROPERTY as DISTRICT may deem necessary and desirable, all at DISTRICT's sole cost. Immediately after performing any such Investigations, DISTRICT shall restore the PROPERTY to the same condition as existed prior to performing such Investigations, including, without limitation, recompaction or removal of any disrupted soil or material as GRANTOR may reasonably direct. DISTRICT hereby indemnifies, defends and holds GRANTOR harmless from any and all losses, damages, costs, liabilities and expenses, including, without limitation, reasonable attorneys' fees (and those fees incurred upon any appeals) and court costs incurred or suffered by GRANTOR, whether directly or proximately, by the act or omission of DISTRICT or DISTRICT's representatives during its Investigations of the PROPERTY.
- C. DISTRICT's recordation of the executed Quitclaim Deed and Certificate of Acceptance shall be deemed DISTRICT's acceptance of the physical condition and condition of title of the PROPERTY. If, as a result of its Investigations of the PROPERTY, DISTRICT determines that it does not wish to accept conveyance of the PROPERTY from GRANTOR, DISTRICT shall so notify GRANTOR and shall return the original executed copy of the Quitclaim Deed to GRANTOR. Upon such notice and return of the

Quitclaim Deed, this CONTRACT shall be deemed automatically terminated and of no further force and effect.

5. VOLUNTARY ACQUISITION

GRANTOR acknowledges that this transaction is voluntary, and GRANTOR is hereby informed that DISTRICT would not have acquired the PROPERTY in the event negotiations had failed to result in this agreement.

6. MISCELLANEOUS ITEMS ACQUIRED AS REALTY

It is understood and agreed by and between the PARTIES hereto that the conveyance described in Section 1 above includes, but is not limited to, an on-site water well, well pump equipment, and all water rights, which are considered to be part of the realty and are being acquired by DISTRICT in this transaction.

7. RESPONSIBILITY FOR REAL PROPERTY

It is understood that DISTRICT assumes no liability of ownership until title vests in DISTRICT.

8. COUNTERPARTS

This CONTRACT may be executed in counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same instrument.

9. ATTACHMENTS (19.1 S)

This CONTRACT includes the following, which is attached hereto and made a part hereof:

ATTACHMENT 1 – Quitclaim Deed and Map

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IN WITNESS WHEREOF, the PARTIES have executed this CONTRACT the day and year first above written.

Approved as to Form

By: _____

Its: City Attorney

ATTEST:

By: _____

Its: City Clerk

Approved as to Form
Office of the County Counsel
Orange County, California

By: _____
Deputy

Date: _____

Signed and certified that a copy of this document
has been delivered to the Chairman of the Board per
G.C. Sec. 25103, Reso 79-1535

ATTEST:

Susan Novak
Clerk of the Board of Supervisors
Orange County Flood Control District
Orange County, California

GRANTOR

City of Garden Grove, a municipal corporation

By: _____

Its: City Manager

DISTRICT

Orange County Flood Control District,
a body corporate and politic

By: _____
Chairman, Board of Supervisors
Orange County, California

RECORD AT REQUEST OF,
AND WHEN RECORDED MAIL TO:

County of Orange
OC Public Works
Real Estate Services
300 North Flower, 6th Floor
Santa Ana, California 92703

ATTN: Sergio Mora

SPACE ABOVE THIS LINE FOR RECORDER'S USE

MAIL TAX STATEMENTS TO:

**This is to certify that this document is
exempt from recording fees per Govt.
Code Sec. 27383 and is exempt from
Documentary Transfer Tax per Rev. &
Taxation Code Sec. 11922.**

By: _____
OC PUBLIC WORKS/REAL ESTATE SERVICES

A. P. NO.: 231-321-03 and 231-601-38

- Unincorporated Area
- Incorporated, City of Garden Grove

Project/Parcel No: C05B02 / 1510 and 1511
Project: Haster Pump Station

QUITCLAIM DEED

FOR VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

CITY OF GARDEN GROVE, a municipal corporation, hereinafter referred to as the
“**GRANTOR**” does hereby remise, release and forever Quitclaim to the

ORANGE COUNTY FLOOD CONTROL DISTRICT, a body corporate and politic,
hereinafter referred to as “**DISTRICT**”,

all right, title and interest in and to the real property in the City of Garden Grove, County
of Orange, State of California, described in EXHIBIT A and illustrated in EXHIBIT B-1
and B-2, which Exhibits attached hereto and made a part hereof.

IN WITNESS WHEREOF, Grantor has executed this Quitclaim Deed as of _____,

CITY OF GARDEN GROVE,
a municipal corporation

By: _____
City Manager

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

State of California)
County of Orange)

On _____ before me, _____
(here insert name and title of the officer)

personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the
foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the within deed or grant to the ORANGE COUNTY FLOOD CONTROL DISTRICT, a body corporate and politic, is hereby accepted by order of the Board of Supervisors of the County of Orange, California, acting as the governing board of the ORANGE COUNTY FLOOD CONTROL DISTRICT, and the ORANGE COUNTY FLOOD CONTROL DISTRICT consents to recordation thereof by its duly authorized officer.

ORANGE COUNTY FLOOD CONTROL DISTRICT

Dated: _____

By: _____

Chairman of the Board of Supervisors
Orange County, CA

**Signed and certified that a copy of this document
has been delivered to the Chairman of the Board per
G.C. Sec. 25103, Reso 79-1535**

ATTEST:

Susan Novak
Clerk of the Board of Supervisors
Orange County Flood Control District
Orange County, California

Approved as to Form
Office of the County Counsel
Orange County, California

By: _____ Date: _____
Deputy

12571 Haster Street
Haster Basin
CITY OF GARDEN GROVE, CA

