

**RANCHO SIMI RECREATION AND PARK DISTRICT
INTEROFFICE MEMORANDUM**

DATE: May 17, 2007

TO: General Manager

FROM: Assistant General Manager

SUBJECT: Approval of Agreement for Purchase and Sale of Real Property and Escrow Instructions By and Between Simi Valley Unified School District and Rancho Simi Recreation and Park District

Since February 2005 the Park District and the Simi Valley Unified School District have been in negotiations regarding the Park District's acquisition of the School District's 42.21 acre vacant parcel in Long Canyon, which is commonly referred to as the "Equestrian Site". The Board has been updated on the status of these negotiations on numerous occasions.


It appears that the Park District and School District have now reached agreement on the price and terms for the purchase of the property by the Park District. Accordingly, an Agreement for the purchase and sale of the property is attached. The purchase price for the property is \$875,000.00 with a 75 day escrow period. The Board of Trustees is scheduled to approve the Agreement at its meeting of May 29, 2007. If approved by the Board of Trustees, escrow will be opened soon thereafter.

The Agreement has been approved by the District's Legal Counsel.

Fiscal Impact: The purchase price of \$875,000 is fully funded through the following sources: Federal Land and Water Fund (\$170,000), Santa Monica Mountains Conservancy Grant (\$295,000), and District Funds (\$410,000).

Board Action Requested:

That the Board approve the Agreement for Purchase and Sale of Real Property and Escrow Instructions By and Between Simi Valley Unified School District and Rancho Simi Recreation and Park District



Ed Hayduk
Assistant General Manager

EH:bjm



AGREEMENT FOR PURCHASE AND SALE
OF REAL PROPERTY AND ESCROW INSTRUCTIONS

by and between

SIMI VALLEY UNIFIED SCHOOL DISTRICT ("SCHOOL DISTRICT")

and

RANCHO SIMI RECREATION AND PARK DISTRICT ("PARK DISTRICT")

This Agreement for Purchase and Sale of Real Property and Escrow Instructions ("AGREEMENT"), which is effective on the last date of execution by the parties, is entered into by and between PARK DISTRICT and SCHOOL DISTRICT with reference to the following facts:

- A. SCHOOL DISTRICT is the owner of certain real property located in Ventura County, California, composed of 42.21 acres, which real property is specifically described in Exhibit A, which is attached hereto and by this reference incorporated herein, and which sets forth the legal description of the real property, and in Exhibit B, which is attached hereto and by this reference incorporated herein, and which depicts graphically the real property.
- B. SCHOOL DISTRICT desires to sell to PARK DISTRICT and PARK DISTRICT desires to purchase from SCHOOL DISTRICT the PROPERTY.

NOW, THEREFORE, in consideration of their mutual promises, obligations assumed and the covenants, conditions and provisions hereinafter contained, the parties hereto agree as follows:

ARTICLE 1: BASIC AGREEMENT

- 1.1 PARK DISTRICT agrees to purchase the PROPERTY from SCHOOL DISTRICT and SCHOOL DISTRICT agrees to sell the PROPERTY to PARK DISTRICT, in accordance with the terms, conditions and provisions of this AGREEMENT.
- 1.2 SCHOOL DISTRICT is selling the PROPERTY "as is" "where as" and "with all faults" to PARK DISTRICT. SCHOOL DISTRICT is making no representations or warranties about the physical condition of the PROPERTY, including the absence or presence of noxious or hazardous substances or materials.
- 1.3 In the event PARK DISTRICT receives at any time, or from time to time, a bonafide offer from a third party to purchase the PROPERTY ("Third Party Offer") within the initial twenty-five (25) years of this Agreement, and PARK DISTRICT decides to sell the PROPERTY under the terms of such offer, PARK DISTRICT agrees that it shall

give notice within 10 days of PARK DISTRICT's making its decision to sell and offer SCHOOL DISTRICT the opportunity to purchase the PROPERTY on the same terms and conditions as the Third Party Offer. The notice shall be in writing and shall include a copy of the purchase agreement executed by PARK DISTRICT and the third party and any addenda thereto. PARK DISTRICT shall notify all third parties seeking to purchase the PROPERTY of SCHOOL DISTRICT's right of first refusal under this paragraph.

ARTICLE 2: PURCHASE PRICE

- 2.1 PARK DISTRICT agrees to pay to SCHOOL DISTRICT an all-cash purchase price for the PROPERTY of Eight Hundred Seventy-Five Thousand Dollars (\$875,000.00) ("PURCHASE PRICE").
- 2.2 Concurrent with Opening of Escrow (as hereinafter defined), PARK DISTRICT shall deposit into Escrow the amount of Five Thousand Dollars (\$5,000.00) (hereinafter the "DEPOSIT"), in the form of a check made payable to LandAmerica Lawyers Title Company Escrow ("ESCROW HOLDER"). ESCROW HOLDER shall place the DEPOSIT into an interest bearing account, and the interest therein shall be credited to PARK DISTRICT'S account. PARK DISTRICT'S DEPOSIT will be nonrefundable to PARK DISTRICT but shall apply toward the PURCHASE PRICE.
- 2.3 On or before Close of Escrow, PARK DISTRICT shall deposit into Escrow in immediately available funds or a certified or cashier's check made payable to ESCROW HOLDER and drawn on a California bank an amount which, together with the sums theretofore deposited into Escrow pursuant to Paragraph 2.2, and any interest accrued thereon, shall equal the sum of (i) the PURCHASE PRICE and (ii) all of the ESCROW HOLDER'S fees, costs and expenses and any allocable proration.
- 2.4 If for any reason PARK DISTRICT does not timely make any of the payments required by Paragraphs 2.2 and 2.3 above, this AGREEMENT and the Escrow shall thereupon be terminated, PARK DISTRICT shall no longer be entitled to purchase the PROPERTY, SCHOOL DISTRICT shall no longer be obligated to sell the PROPERTY to PARK DISTRICT, SCHOOL DISTRICT shall be entitled to retain the DEPOSIT pursuant to Paragraph 2.2, and the parties shall be relieved of any further obligation to each other with respect to the PROPERTY.

ARTICLE 3: THE ESCROW

- 3.1 Escrow. This AGREEMENT shall also constitute escrow instructions to LandAmerica Lawyers Title Company Escrow, 2535 Townsgate Road, Suite 207, Westlake Village, CA 91361, which is hereby appointed and designated escrow agent. ESCROW HOLDER shall be the party responsible for closing this transaction and filing the required form 1099-S (or other required form) with the U.S. Internal Revenue Service.

- 3.2 Opening. The escrow will be opened with ESCROW HOLDER within five (5) business days after the last date of execution of this AGREEMENT by SCHOOL DISTRICT and PARK DISTRICT ("OPENING OF ESCROW"). Escrow shall be deemed to be opened as of the date a fully executed copy (or counterparts) of this AGREEMENT are delivered to ESCROW HOLDER by PARK DISTRICT and SCHOOL DISTRICT along with the DEPOSIT under Paragraph 2.2. ESCROW HOLDER shall give written notice to PARK DISTRICT and SCHOOL DISTRICT of the date of OPENING OF ESCROW. If ESCROW HOLDER shall require further Escrow instructions, ESCROW HOLDER may prepare such instructions on its usual form. Such further instructions shall be promptly signed by PARK DISTRICT and SCHOOL DISTRICT and returned to ESCROW HOLDER within three (3) business days of receipt thereof. In the event of any conflict between the terms and conditions of this AGREEMENT and such further instructions, the terms, conditions, and provisions of this AGREEMENT shall control.
- 3.3 CLOSE OF ESCROW. Escrow shall close ("CLOSE OF ESCROW") no later than seventy-five (75) days following the OPENING OF ESCROW.
- 3.4 PARK DISTRICT Required to Deliver. PARK DISTRICT shall deliver to Escrow the following:
- 3.4.1 Concurrently with the OPENING OF ESCROW, the DEPOSIT;
- 3.4.2 On or before CLOSE OF ESCROW, the payment required by Paragraph 2.3; and
- 3.4.3 On or before CLOSE OF ESCROW, such other documents as Title Company may require from PARK DISTRICT in order to issue the Title Policy.
- 3.5 SCHOOL DISTRICT Required to Deliver. On or before CLOSE OF ESCROW, SCHOOL DISTRICT shall deliver to Escrow the following:
- 3.5.1 A duly executed and acknowledged grant deed in favor of PARK DISTRICT (the "Grant Deed") conveying marketable fee simple title to the PROPERTY free and clear of all encumbrances, liens, easements, rights, rights of way, covenants, conditions, and restrictions, unless they are approved by the PARK DISTRICT, which approval shall be deemed given should PARK DISTRICT not object in writing within 20 days of PARK DISTRICT's receipt of notice thereof, including a schedule of exceptions relating to a preliminary title report for the PROPERTY.
- 3.5.2 Such other documents as Title Company may require from SCHOOL DISTRICT in order to issue the Title Policy.
- 3.6 PARK DISTRICT'S Costs. PARK DISTRICT shall pay the following:
- 3.6.1 All the ESCROW HOLDER'S fee, costs and expenses;

- 3.6.2 The cost of any premiums or other charges for any endorsements to the Title Policy;
 - 3.6.3 The cost of any surveys and inspections requested or performed by or on behalf of PARK DISTRICT;
 - 3.6.4 Title Company's premium for a standard coverage American Land Title Association policy of title insurance in the amount of the PURCHASE PRICE;
 - 3.6.5 The cost of recording the Grant Deed, including documentary transfer taxes, if any; and
 - 3.6.6 All other escrow costs customarily borne by purchasers and sellers of real property in Ventura County.
- 3.7 SCHOOL DISTRICT'S Costs.
- 3.7.1 The SCHOOL DISTRICT shall not pay any of the escrow closing costs and other costs set forth in Paragraph 3.6 hereof, related to the purchase of the PROPERTY by the PARK DISTRICT.
- 3.8 Duties of ESCROW HOLDER.
- 3.8.1 At CLOSE OF ESCROW, ESCROW HOLDER shall do the following:
 - 3.8.1.1 Record the Grant Deed in the Official Records of Ventura County, California, with the correct legal description of the PROPERTY attached, with instructions to deliver the Grant Deed when recorded to PARK DISTRICT;
 - 3.8.1.2 Charge PARK DISTRICT and SCHOOL DISTRICT their respective shares of the costs, fees, expenses and prorations provided in this AGREEMENT;
 - 3.8.1.3 Deliver to PARK DISTRICT an American Land Title Association standard form Title Insurance Policy insuring the PARK DISTRICT'S title to the property against all exceptions except those which have been approved in writing by the PARK DISTRICT; and
 - 3.8.1.4 Deliver to the SCHOOL DISTRICT or as the SCHOOL DISTRICT may direct the balance due on account of the PURCHASE PRICE, less SCHOOL DISTRICT'S share of any costs, fees, expenses and prorations.

ARTICLE 4: REPRESENTATIONS

- 4.1 Representations and Warranties of PARK DISTRICT. PARK DISTRICT represents and warrants for the benefit of SCHOOL DISTRICT and SCHOOL DISTRICT'S successors and assigns to the current actual knowledge of PARK DISTRICT, that the following facts are true and correct as of the date of execution of this Agreement or shall be true and correct as of the Close of Escrow.
- (a) PARK DISTRICT has the authority to enter into this AGREEMENT.
- 4.2 Representations and Warranties of SCHOOL DISTRICT. SCHOOL DISTRICT represents and warrants for the benefit of PARK DISTRICT and PARK DISTRICT'S successors and assigns to the current actual knowledge of SCHOOL DISTRICT, that the following facts are true and correct as of the execution of this AGREEMENT or shall be true and correct as of the Close of Escrow:
- (a) SCHOOL DISTRICT has the authority to enter into this AGREEMENT.
- (b) SCHOOL DISTRICT is the owner of fee simple title to the PROPERTY, and all contracts, leases, options, easements, deeds, or agreements of any kind and of any nature regarding or affecting the PROPERTY are of record, or they have been specifically disclosed in writing to the PARK DISTRICT.
- (c) SCHOOL DISTRICT has disclosed to PARK DISTRICT, and given copies to the PARK DISTRICT, of all contracts, leases, options, easements, deeds, or agreements of any kind and of any nature regarding or affecting the PROPERTY entered into by SCHOOL DISTRICT that are not of record.

ARTICLE 5: MISCELLANEOUS PROVISIONS

- 5.1 Broker's Commission. If any party to this transaction is represented by any real estate agent(s) and/or Broker(s), then that party is solely responsible for the payment of any commission owed, and shall indemnify the other against any liability therefore.
- 5.2 Performance. Time is of the essence of this AGREEMENT and of each provision hereof.
- 5.3 Calculation of Time. If the time in which any act required or permitted by this AGREEMENT to be performed falls on a Saturday, Sunday or holiday, then the time for performance shall be extended to the next day which is not a Saturday, Sunday or holiday. The term "holiday" shall mean all and only those State holidays specified in Sections 6700 and 7701 of the California Government Code.
- 5.4 Relationship. Nothing contained in this Agreement shall be deemed or construed by the parties or by any third person to create a relationship of principal and agent or partnership or a joint venture between PARK DISTRICT and SCHOOL DISTRICT.

- 5.5 Escrow Cancellation Charges. If the Escrow should fail to close by reason of SCHOOL DISTRICT'S default hereunder, SCHOOL DISTRICT shall pay all escrow cancellation charges; if the Escrow should fail to close by reason of PARK DISTRICT'S default hereunder, PARK DISTRICT shall pay all escrow cancellation charges.
- 5.6 Entire AGREEMENT. This AGREEMENT shall constitute the entire understanding and agreement of the parties hereto and all prior agreements, understandings, representations and negotiations are hereby superseded, terminated and canceled in their entirety, and are of no further force or effect.
- 5.7 Amendments. This AGREEMENT may not be modified or amended except in writing signed by both parties.
- 5.8 Applicable Law. This AGREEMENT shall in all respects be governed by the laws of the State of California applicable to agreements executed and to be wholly performed within this State.
- 5.9 Severability. Nothing contained herein shall be construed to require the commission of any act contrary to law, and wherever there is any conflict between any provision contained herein and any present or future statute, law, ordinance or regulation as to which the parties have no legal right to contract, the latter shall prevail, but the affected provisions of this AGREEMENT shall be limited only to the extent necessary to bring them within the requirements of such law.
- 5.10 Attorneys' Fees. Should any party hereto commence any action or proceeding to enforce any provision of this AGREEMENT or for damages by reason of an alleged breach of any provision of this AGREEMENT or for declaratory relief or specific performance, the prevailing party shall be entitled to recover from the losing party or parties such amount as the court may adjudge to be reasonable attorneys' fees for services rendered to the prevailing party in such action or proceeding.
- 5.11 Separate Counterparts. This AGREEMENT may be executed in separate counterparts, each of which when so executed shall be deemed to be an original. Such counterparts shall, together, constitute and be one and the same instrument.
- 5.12 Notices. Any and all notices, demands or other communications required or desired to be given hereunder by any party shall be in writing and shall be validly given or made to another party (i) if served personally (ii) if deposited in the United States mail, certified or registered, postage prepaid, return receipt requested; (iii) if delivered by Federal Express or other overnight package delivery service; or (iv) if delivered by facsimile transmission addressed to the party to whom such notice, demand or other communication is to be given, provided that concurrently with such facsimile transmission a copy is delivered by one of the methods authorized in items (i), (ii) or (iii); in each case as follows:

To SCHOOL DISTRICT: Mr. Lowell Schultze
Assistant Superintendent, Business Services
Simi Valley Unified School District
875 East Cochran Street
Simi Valley, CA 93065
Phone (805) 306-4510
Fax (805) 520-6144

To PARK DISTRICT: Mr. Ed Hayduk, Assistant General Manager
Rancho Simi Recreation and Park District
1692 Sycamore Drive
Simi Valley, CA 93065
Phone (805) 584-4418
Fax (805) 526-7648

To ESCROW HOLDER: Jamie Moss, Escrow Officer
LandAmerica Lawyers Title
2535 Townsgate Road
Westlake Village, CA 91361
Phone (805) 446-6465
Fax (805) 446-6469

Each party may, by notice to the others and to the Title Company, designate different addresses which shall be substituted for the one specified above. Notice given in a manner other than specified above shall be deemed given only if in writing and only upon actual receipt by the addressee.

In the event PARK DISTRICT or SCHOOL DISTRICT utilizes a "facsimile" transmitted signed document, ESCROW HOLDER may rely upon such documents as if they bore original signatures; provided, however, that the transmitting party shall, within 72 hours of transmission, provide ESCROW HOLDER with such documents bearing original signatures. Documents necessary for recording, however, must bear original signatures.

- 5.13 Captions, Number and Gender. The captions appearing at the commencement of the paragraphs, subparagraphs and sections hereof are descriptive only and for convenience in reference. Should there be any conflict between any such caption and the article, paragraph or subparagraphs at the head of which it appears, the article, paragraph or subparagraph and not the caption shall control and govern the construction of this AGREEMENT. In this AGREEMENT, the masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others whenever the context so requires.
- 5.14 Survival. All representations, warranties, covenants, agreements and indemnities made and all obligations to be performed under the provisions hereof to the extent not performed at or before the closing dates shall survive the close of escrow and shall not be deemed to merge with the Grant Deed(s) or upon delivery or acceptance thereof.

- 5.15 Further Action. Each party hereto shall duly execute and deliver such papers, documents and instruments and perform all acts reasonably necessary or proper to carry out and effectuate the terms of this AGREEMENT.
- 5.16 Waiver. No waiver of any term, provision or condition of this AGREEMENT shall be effective or enforceable unless in writing.
- 5.17 Assignment. PARK DISTRICT and SCHOOL DISTRICT agree to not assign or transfer their interest in the PROPERTY and/or this AGREEMENT between the Effective Date and the CLOSE OF ESCROW without the express written consent of the other party which consent shall not be unreasonably withheld.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed the day and year last written below:

PARK DISTRICT:
RANCHO SIMI RECREATION & PARK DISTRICT
A California Governmental Entity

By: _____

Print Name and Title

Date: _____

SCHOOL DISTRICT:
SIMI VALLEY UNIFIED SCHOOL DISTRICT
A Public Body, Corporate and Politic,

By: _____

Print Name and Title

Date: _____

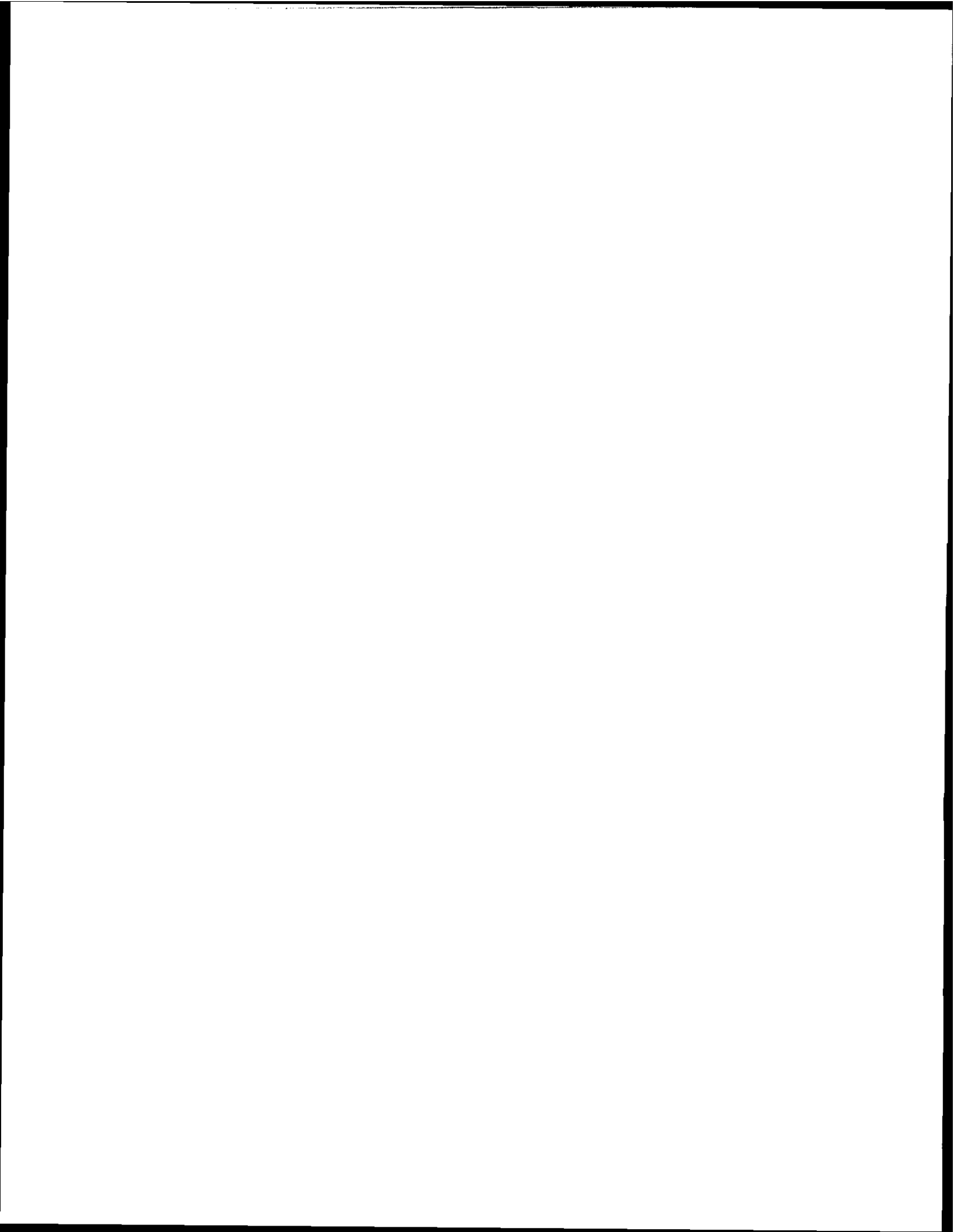


EXHIBIT A

EXHIBIT A

Page 1 of 2

That portion of land in the City of Simi Valley, County of Ventura, State of California as described in the Deed to Rancho Simi Recreation and Parks District for Challenger Park recorded June 3, 2005 as Instrument No. 20050603-0135358 of Official Records in the office of the County Recorder of said County, being described as follows:

Beginning at the southerly terminus of Course No. 3, as described in said Deed for Challenger Park, having a bearing and distance of South 49°20'46" East 645.04 feet; thence,

- 1st South 48°58'22" East 292.24 feet; thence,
- 2nd South 14°53'10" West 820.00 feet; thence,
- 3rd South 58°39'32" East 287.00 feet; thence,
- 4th North 74°06'18" East 645.00 feet; thence,
- 5th South 56°44'25" East 486.00 feet; thence,
- 6th North 60°28'47" East 375.17 feet to the easterly line of Parcel 1A of Lot Line Adjustment No. LD-S 416 recorded February 17, 1988 as Instrument No. 88-019525 of Official Records in the office of the County Recorder of said County; thence along said easterly line,
- 7th North 22°24'18" West 1399.96 feet; thence,
- 8th North 16°54'33" West 546.16 feet to the northeasterly terminus of Course No. 4, as described in said Deed for Challenger Park; thence along said Course No. 4,
- 9th South 49°38'24" West 1201.69 feet to the **Point of Beginning**.

Continued

EXHIBIT A

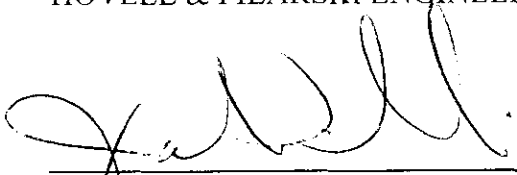
Page 2 of 2

End of EXHIBIT A

All as shown on a sketch attached hereto as EXHIBIT B and made a part hereof for reference only.

Prepared by:

HOVELL & PILARSKI ENGINEERING

 9/6/07

James T. Pilarski, PLS 4755

Date

\\ARC\SIM\2052\2052 Exhibit A.wpd
w/o 2052-00.02 - AJP

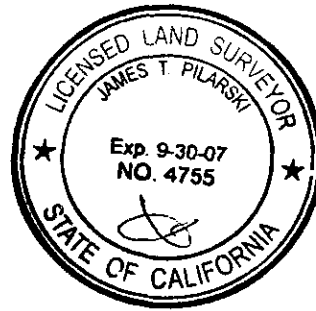


EXHIBIT B

SCALE: 1"=300'

EXHIBIT "B"



LONG CANYON ROAD

20050603-0135358 O.R.

S49°20'46"E 645.04'

POB

S48°58'22"E
292.24'

S49°38'24"W

1201.69'

N16°54'33"W
546.16'

N22°24'18"W

1399.99'

S58°39'32"E
287.00'

N74°06'18"E 645.00'

S56°44'25"E
486.00'

N60°28'47"E
375.17'

PREPARED BY:
HOVELL & PILARSKI ENG.
P.O. BOX 479
SIMI VALLEY, CA 93062
W/O 2044-00.2

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