



**AGENDA OF A SPECIAL MEETING
PARKING AUTHORITY OF THE CITY OF NATIONAL CITY**

**City Council Chambers
Civic Center
1243 National City Boulevard
National City, California**

Tuesday, April 21, 2015 – 6:00 p.m.

ROLL CALL

CONSENT CALENDAR

1. Resolution of the Parking Authority of the City of National City authorizing the Chairman to execute the Eighth Amendment to the Option to Purchase Agreement with the County of San Diego for the purchase of an Open-Space Easement on a 15.08 acre parcel of land at the southwest corner of Sweetwater Road and Bonita Center Road that extends the term of said Option for one year and pays the County of San Diego \$1.00 as consideration for the extension. (Housing, Grants, & Asset Management)

ADJOURNMENT

Next Regular Parking Authority Meeting – Tuesday, July 21, 2015, 6:00 p.m., Council Chambers, Civic Center

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**CITY OF NATIONAL CITY, CALIFORNIA
PARKING AUTHORITY AGENDA STATEMENT**

MEETING DATE: April 21, 2015

AGENDA ITEM NO. 1

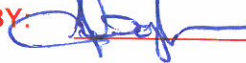
ITEM TITLE:

Resolution of the Parking Authority of the City of National City authorizing the Chairman to execute the Eighth Amendment to the Option to Purchase Agreement with the County of San Diego for the purchase of an Open-Space Easement on a 15.08 acre parcel of land at the southwest corner of Sweetwater Road and Bonita Center Road that extends the term of said Option for one year and pays the County of San Diego \$1.00 as consideration for the extension.

PREPARED BY: Jocker Alejandro
Property Agent

DEPARTMENT: Housing, Grants, & Asset
Management

PHONE: 619 336-4266

APPROVED BY: 

EXPLANATION:

The Parking Authority entered into an Option to Purchase Agreement ("Option Agreement") with the County of San Diego on March 20, 2007 that provided the Parking Authority the option to purchase the current Open-Space Easement attached to a 15.08-acre parcel of land at the southwest corner of Sweetwater Road and Bonita Center Road to develop a commercial project. The Option Agreement has been amended in 2008, 2009, 2010, 2011, 2012, 2013, and 2014 each extending the Option Agreement for another year. The Eighth Amendment to the Option to Purchase Agreement extends the term of the Option Agreement to December 31, 2015. Also, the County Board of Supervisors authorized one additional one (1) year extension, through December 31, 2016, if needed.

FINANCIAL STATEMENT:

ACCOUNT NO.

N/A

APPROVED: _____ Finance

APPROVED: _____ MIS

ENVIRONMENTAL REVIEW:

N/A

ORDINANCE: INTRODUCTION: FINAL ADOPTION:

STAFF RECOMMENDATION:

Adoption of the Resolution.

BOARD / COMMISSION RECOMMENDATION:

N/A

ATTACHMENTS:

Attachment No.1: Eighth Amendment to the Option to Purchase Agreement

EIGHTH AMENDMENT TO OPTION TO PURCHASE AGREEMENT

This Eighth Amendment to Option to Purchase Agreement (Eighth Amendment) is made as of _____, 2015, by and between the COUNTY OF SAN DIEGO, a political subdivision of the State of California (County) and the PARKING AUTHORITY OF THE CITY OF NATIONAL CITY, a public body corporate and politic created pursuant to the Parking Law of 1949 (Optionee) with reference to the following facts:

RECITALS

1. Optionee owns a 15.08-acre parcel of land at the southwest corner of Sweetwater Road and Bonita Center Road in National City, California, identified as County Assessor's Parcel Number 564-471-11.
2. In 1978 Optionee conveyed to County an easement for open space and park purposes over this 15.08-acre parcel (the Easement).
3. Optionee wishes to purchase the Easement from County.
4. On April 3, 2007, County and Optionee entered into an Option to Purchase Agreement (Option Agreement) setting forth the terms of an option whereby Optionee could purchase the Easement from County.
5. On December 13, 2007, Optionee exercised its option to purchase the Easement, and on March 12, 2008, Optionee and County opened escrow pursuant to the terms of the Option Agreement. The escrow was subsequently cancelled in 2011.
6. Optionee was unable to meet the 90-day deadline for closing escrow and requested that the date for close of escrow be extended to December 31, 2008.
7. On July 2, 2008, the parties executed the First Amendment, which extended the deadline for close of escrow and the term of the Option Agreement to December 31, 2008.
8. Optionee was unable to meet the December 31, 2008 deadline. Therefore, on October 14, 2008, the parties executed the Second Amendment, which extended the deadline for close of escrow and the term of the Option Agreement to December 31, 2009.
9. Optionee was unable to meet the December 31, 2009 deadline and requested that the deadline for close of escrow and the term of the Option Agreement be extended for an additional year. Therefore, the parties executed the Third Amendment, which extended the deadline for close of escrow and the term of the Option Agreement to December 31, 2010.
10. Optionee was unable to meet the December 31, 2010 deadline and requested that the deadline for close of escrow and the term of the Option Agreement be extended for an additional year. Therefore, the parties executed the Fourth Amendment, which extended the deadline for close of escrow and the term of the Option Agreement to December 31, 2011.

11. Optionee was unable to meet the December 31, 2011 deadline and requested that the deadline for close of escrow and the term of the Option Agreement be extended for an additional year. Therefore, on March 6, 2012, the parties executed the Fifth Amendment, which extended the deadline for close of escrow and the term of the Option Agreement to December 31, 2012.

12. Optionee was unable to meet the December 31, 2012 deadline and requested that the deadline for close of escrow and the term of the Option Agreement be extended for an additional year. Therefore, on November 1, 2013, the parties executed the Sixth Amendment, which extended the deadline for close of escrow and the term of the Option Agreement to December 31, 2013.

13. Optionee was unable to meet the December 31, 2013 deadline and requested that the deadline for close of escrow and the term of the Option Agreement be extended for an additional year. Therefore, on December 3, 2014, the parties executed the Seventh Amendment, which extended the deadline for close of escrow and the term of the Option Agreement to December 31, 2014.

14. Optionee is unable to meet the December 31, 2014 deadline and requests that the deadline for close of escrow and the term of the Option Agreement be extended for an additional year.

15. On October 21, 2014, the Board of Optionee approved an Exclusive Negotiating Agreement (ENA) between Optionee and CarMax Auto Superstores California, LLC (CarMax) to allow Optionee and CarMax to negotiate the potential sale to CarMax of approximately 9.5 acres of the Property as defined in the Option Agreement. The objective of the ENA is for Optionee and CarMax to enter into a mutually acceptable purchase and sale agreement. Optionee and CarMax are negotiating a mutually acceptable purchase and sale agreement (the Purchase and Sale Agreement).

16. Pursuant to Section 3(b) of the ENA, a condition precedent to the close of escrow under the Purchase and Sale Agreement between Optionee and CarMax is Optionee's completion of the purchase of the Easement from the County.

AGREEMENT

Now, therefore, the parties agree as follows:

1. Optionee shall pay County \$1.00 as consideration for this Eighth Amendment. The payment shall be made as specified in paragraph 3B of the Option Agreement.

2. Paragraph 2 of the Option Agreement is amended to read as follows:

“2. The term ("Term") of this Option shall be from the Effective Date through December 31, 2015.”

3. Paragraph 9C(2) of the Option Agreement is amended to read as follows:

"9 C (2) Close of Escrow; Closing Date. Escrow shall close either on or before December 31, 2015, or five business days after Optionee's notice to County and escrow company requesting to close escrow, whichever is sooner, ("Close of Escrow" or "Closing Date"). The terms "Close of Escrow" and/or "Closing Date" shall mean the date the deeds conveying title to the Easement and title to the Walkway Area are recorded in the Office of the County Recorder of the County of San Diego.

4. All other terms and conditions of the Option Agreement remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Eighth Amendment effective as of the date first written above.

OPTIONEE

By: RON MORRISON, Chairman Parking Authority of the City of National City	By: LESLIE DEESE, Secretary Parking Authority of the City of National City Approved as to form City Attorney By _____ Claudia Gacitua Silva City Attorney
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COUNTY OF SAN DIEGO By: <u><i>A. F. Heinze</i></u> APRIL F. HEINZE, P.E., Director Department of General Services	Approved as to form and legality County Counsel By: <u><i>Kristen Laychus</i></u> KRISTEN LAYCHUS Deputy County Counsel
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RESOLUTION NO. 2015 –

RESOLUTION OF THE PARKING AUTHORITY
OF THE CITY OF NATIONAL CITY AUTHORIZING
THE CHAIRMAN TO EXECUTE THE EIGHTH AMENDMENT
TO THE OPTION TO PURCHASE AGREEMENT WITH
THE COUNTY OF SAN DIEGO FOR THE PURCHASE OF
AN OPEN-SPACE EASEMENT ON A 15.08 ACRE PARCEL OF LAND
AT THE SOUTHWEST CORNER OF SWEETWATER ROAD AND
BONITA CENTER ROAD THAT EXTENDS THE TERM OF SAID OPTION
FOR ONE YEAR AND PAYS THE COUNTY OF SAN DIEGO
\$1.00 AS CONSIDERATION FOR THE EXTENSION

WHEREAS, on March 20, 2007, the Parking Authority of the City of National City (“Parking Authority”) entered into an Option to Purchase Agreement (“Option Agreement”) with the County of San Diego to purchase an open-space easement attached to the 15.08-acre parcel of land located at the southwest corner of Sweetwater Road and Bonita Center Road (Parcel No. 564-471-11) to develop a commercial project; and

WHEREAS, the Option Agreement has been subsequently amended in 2008, 2009, 2010, 2011, 2012, 2013, and 2014, each extending the term of the Option Agreement for one year; and

WHEREAS, the Eighth Amendment to the Option Agreement extends the term of the Option Agreement for one year, to December 31, 2015, and in consideration for the amendment, the Parking Authority agrees to pay \$1.00 to the County of San Diego; and

WHEREAS, the County Board of Supervisors authorized one additional one (1) year extension, through December 31, 2016, if needed.

NOW, THEREFORE, BE IT RESOLVED, that the Parking Authority of the City of National City hereby authorizes the Chairman to execute the Eighth Amendment to the Option to Purchase Agreement by and between the Parking Authority of the City of National City and the County of San Diego to extend the term of the Option Agreement for one year, to December 31, 2015, and in consideration for the Amendment, the Parking Authority agrees to pay \$1.00 to the County of San Diego. The Eighth Amendment is on file in the office of the City Clerk.

PASSED and ADOPTED this 21st day of April, 2015.

Ron Morrison, Chairman

ATTEST:

APPROVED AS TO FORM:

Leslie Deese, Secretary

Claudia Gacitua Silva
Legal Counsel