



COUNTY OF PLACER
Community Development/ Resource Agency

Michael J. Johnson, AICP
Agency Director

ADMINISTRATION

MEMORANDUM

TO: Honorable Board of Supervisors

FROM: Michael J. Johnson, AICP
Agency Director

DATE: February 25, 2014

SUBJECT: **REGIONAL UNIVERSITY DONATION AGREEMENT – RELINQUISHMENT OF COUNTY INTEREST IN REGIONAL UNIVERSITY DONATION AGREEMENTS**

ACTION REQUESTED

Adopt a resolution relinquishing the County's potential contractual interest in the Regional University donation property as set forth in the Agreements for Irrevocable Offer of Donation between Angelo K. Tsakopoulos and William C. Cummings (the Donors) and Drexel University and between Placer 2780 (Donor) and Drexel University regarding the Regional University property.

There is no net County cost associated with this action.

BACKGROUND

In December 2008, the Board of Supervisors approved the Regional University Specific Plan project, a 1,157.5-acre Plan Area located in unincorporated Placer County, west of the City of Roseville. As approved by the Board, the Specific Plan encompasses a mixed-use community with two primary components: a 600-acre University campus and a 557.5-acre mixed-use community. The development concept approved by the Board anticipates that the proceeds from developing the mixed-use community would fund an endowment that would provide the foundation for the establishment of a university within the Plan Area.

At the time of the Board's 2008 approval, Drexel University was in discussions with the property owners to develop a four-year university within the Plan Area, and Drexel had entered into Agreements for Irrevocable Offers of Donation of the university property with the property owners/donors. These agreements set forth terms, conditions and timing for the donation of property to Drexel University for the establishment of a university campus, as well as for the acceptance of the property by Drexel.

The Agreements provided Drexel University with five years to accept the offer, and included provisions for Drexel to assign the offer to another university (known as an Alternate Donee) or relinquish its interests. The Agreements also provided that, in the event that Drexel failed to exercise or relinquish its rights, and no Alternate Donee was identified and under contract, then the County could elect to become the Alternate Donee and assume ownership of the donation property and either develop and operate the property, or assign those rights to a Replacement University.

In 2011, Drexel University noticed Placer County that it no longer intended to develop the Plan Area and subsequently relinquished its interests in the project. In December 2012 and May 2013, the entire Plan Area was donated to entities controlled by W.M. Corporation, a 501(c)(3), a non-profit organization. W.M. Corporation took property control subject to all previous agreements and committed to the vision of developing a university within the Plan Area.

At its December 10, 2013 meeting, the Board considered the terms of the Agreements and whether or not the County wanted to exercise its potential contractual rights to assume ownership of the Plan Area. The Board directed staff to prepare the necessary resolution(s) that would allow the County to formally relinquish its potential rights to the property.

ANALYSIS

As directed by the Board at its December 10, 2013 meeting, staff has prepared a resolution (attached) that relinquishes the County's potential contractual rights to assume ownership of the Donation Property area as provided for in the Agreements for Irrevocable Offer of Donation. With this action, the property will be able to be transferred to a private, non-profit entity, unencumbered by potential County contractual rights. Staff believes this action will continue to allow for the implementation of the Regional University Specific Plan project as set forth in the Board's December 2008 approval.

FISCAL IMPACT

There is no direct impact to the General Fund associated with the recommended action.

CEQA COMPLIANCE

The requested action is exempt from environmental review as set forth in Section 15061(b)(3) (review for Exemption) of the California Environmental Quality Act Guidelines, as staff has concluded that it can be seen with certainty that there is no possibility the activity in question may have a significant effect on the environment.

ATTACHMENTS:

Attachment 1: Resolution Relinquishing the County of Placer's Potential Contractual Rights in the Regional University Donation Property as Described in Agreements for Irrevocable Offer of Dedication.

cc: David Boesch, County Executive Officer
Holly Heinzen, Chief Assistant County Executive Officer
Jerry Carden, County Counsel
Allison Carlos, Principal Management Analyst
Property Owner

Before the Board of Supervisors County of Placer, State of California

In the matter of: A RESOLUTION RELINQUISHING
THE COUNTY OF PLACER'S POTENTIAL
CONTRACTUAL RIGHTS IN THE REGIONAL
UNIVERSITY DONATION PROPERTY AS DESCRIBED
IN AGREEMENTS FOR IRREVOCABLE OFFER OF DONATION

Resolution _____

The following RESOLUTION was duly passed by the Board of Supervisors of the
County of Placer at a regular meeting held _____, by the
following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chair, Board of Supervisors

Attest:

Clerk of said Board

WHEREAS, on December 9, 2008 the Placer County Board of Supervisors took various actions regarding the Regional University project, including approval of the Regional University Specific Plan ("RUSP"), a 1,157.5 acre Plan Area located in unincorporated Placer County west of the City of Roseville.

WHEREAS, the RUSP as approved consists of a mixed-use community with two primary land use components: a 600-acre University campus ("University Property") and an adjacent 557.5-acre mixed use community ("Community Property").

WHEREAS, in furtherance of the RUSP, Angelo K. Tsakopoulos and William C. Cummings and Drexel University ("Drexel"), as well as Placer 2780 and Drexel, entered into those certain Agreements for Irrevocable Offers of Donation ("Donation Agreements") in October, 2008.

WHEREAS, the Donation Agreements contain conditions under which the Regional University Donation Property, as defined in the Donation Agreements, can be transferred to Drexel or to a Replacement University.

WHEREAS, the Donation Agreements further provide in Section 1(e) that the Donation Property may be donated to the County as an Alternate Donee, or the County may assign any Alternate Donee rights it may have, in the event Drexel or a Replacement University is unwilling or unable to accept donation of the Donation Property within timeframes contained in the Donation Agreements.

WHEREAS, the County is not a party to the Donation Agreements and County acceptance of Donation Property, or any interest therein, would require the affirmative consent of the Placer County Board of Supervisors.

WHEREAS, in 2011, Drexel notified the County that Drexel no longer intended to develop the RUSP plan area and Drexel subsequently relinquished its interests in the Regional University project.

WHEREAS, the current owners of the Donation Property have continued recruitment efforts to bring a university to the Donation Property.

WHEREAS, in furtherance of those recruitment efforts, the current owners of the Donation Property have requested that the County relinquish the County's potential contractual rights to either accept the Donation Property or assign County rights thereto.

WHEREAS, the County does not intend to serve as the Alternate Donee or to assign potential County property interests as provided for in the Donation Agreements, and is willing to relinquish the County's potential interest in the Donation Property in order to further facilitate the current property owners' university recruitment efforts.

WHEREAS, the Board of Supervisors directed County staff on December 10, 2013 to prepare documentation relinquishing the County's potential interests in the Donation Property as identified in the Donation Agreements and to return to the Board for discussion and final action at a future date.

WHEREAS, any release by the County of potential contractual rights under the Donation Agreements is not intended to, and does not, affect the County's land use jurisdiction over the Donation Property and/or the Regional University project, or otherwise affect or modify the County's December 9, 2008 actions.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors, County of Placer, State of California that the County of Placer does hereby relinquish its potential contractual rights under those certain Agreements for Irrevocable Offer of Donation between Angelo K. Tsakopoulos, and William C. Cummings and Drexel University and Placer 2780 and Drexel dated October, 2008 including, but not limited to, its potential contractual rights under Section 1(e) thereof, copies of which are on file with County Counsel.