RESOLUTION NO. 07-11

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEASIDE APPROVING A LOT LINE ADJUSTMENT APPLICATION BY THE CITY OF SEASIDE AND SUNBAY RESORT ASSOCIATES, LLC, AND APPROVING AN AMENDMENT TO THE RESTATED GOLF COURSE LEASE BETWEEN THE CITY AND B&B GOLF COURSE PROPERTIES, IN CONNECTION WITH THE CONVEYANCE OF 1.82 ACRES FROM THE CITY TO SUNBAY RESORT ASSOCIATES, LLC.

WHEREAS, on July 7, 2005, the Redevelopment Agency of the City of Seaside ("Agency") approved a Disposition and Development Agreement (the "DDA") by and between the Agency and Seaside Resort Development, LLC, ("SRD") related to the Seaside Resort Project, which requires that SRD provide for specified amounts of affordable and workforce housing (the "Affordable Housing Agreement") on an adjoining site near the existing Sunbay Apartment site; and

WHEREAS, on September 1, 2005, the City Council of the City of Seaside approved City Council Resolution No. 05-59 authorizing the City of Seaside to enter into a binding option agreement with Sunbay Resort Associates, LLC, ("SRA") that provides for affordable housing in a manner acceptable to the City and Agency on an existing 4.5 acre parcel of land adjoining the Sunbay Apartments which would release SRD from its obligations to provide affordable housing on the Seaside Resort Project site; and

WHEREAS, by previously adopted City Council Resolution No. 05-59, the City authorized an agreement (the "Affordable Housing Agreement") among the City, the Agency, and SRA for the conveyance of 1.82 acres of City-owned golf course property adjacent to SRA’s existing 4.45 acre parcel; and

WHEREAS, SRA and the City of Seaside, as applicants, have applied for a Lot Line Adjustment Application to authorize the recording of a Record of Survey Map and Certificate of Compliance documenting the conveyance of 1.82-acres of the City-owned golf course property to SRA; and

WHEREAS, B&B Golf Course Properties, LLC has indicated its willingness to terminate the golf course lease with respect to the 1.82 acre portion of the City-owned golf course that is the subject of the conveyance from the City to SRA, which willingness will be documented by the execution of the "Partial Termination of Amended and Restated Lease and Amendment to Memorandum of Amended and Restated Lease;" and

WHEREAS, the Seaside City Council, at a duly noticed public meeting on March 15, 2007, considered oral comments and written information concerning the proposed Lot Line Adjustment Application; and
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WHEREAS, it is the responsibility of the Seaside City Council to consider and weigh the merits of the Lot Line Adjustment Application and public input in relation to the policies, standards and intent of the Seaside General Plan and the Seaside Municipal Code for the proposed Lot Line Adjustment Application.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEASIDE, CALIFORNIA, AS FOLLOWS:

1. The City Council does hereby find that the above recitals and information are accurate and are hereby incorporated in and made a part of the Resolution by this reference.

2. The City Council makes the following findings and determinations pursuant to the California Environmental Quality Act (CEQA):

   a. The transfer of the approximate 1.82 acre parcel from the City to SRA qualifies as a Class 5 Categorical Exemption because the project involves a minor adjustment to lot lines between adjoining parcels that would not result in the creation of any new parcel of land.

   b. When a development project is proposed by SRA on the 1.82 acres of land that is conveyed by the City, that project will be subject to all applicable discretionary approvals and project level environmental review.

3. The City Council finds that the proposed lot line adjustment and conveyance is consistent with the Seaside General Plan and the Seaside Zoning Code. The proposed adjustment will facilitate the development of affordable housing by providing additional land for the development of affordable housing units on the SRA property which is necessary to achieve the City's goals for providing affordable housing. In addition the two parcels of property affected by this lot line adjustment and conveyance will each exceed the minimum lot size and required minimum dimension requirements provided by the Seaside General Plan and Seaside Zoning Ordinance, with the SRA parcel being enlarged to 6.27 acres and the City of Seaside Golf Course parcel remaining at approximately 373.31 acres.

4. The City Council hereby approves the adjustment of the existing lot line between an existing 375.13 acre parcel owned by the City, described on the attached record of survey as Parcel 1, and an existing 4.45 acre parcel owned by Sunbay Resort Associates, LLC, described on the attached record of survey as Parcel 2 to transfer 1.82-acres from Parcel 1 into Parcel 2 so that the resulting Parcel 1 will be approximately 373.31 acres and Parcel 2 will be approximately 6.27 acres.
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Page 3

5. The City Engineer shall cause the Record of Survey Map, attached as Attachment 2 and the Certificate of Compliance, attached as Attachment 3, to be recorded with the County Recorder of the County of Monterey concurrently with the quitclaim deed that conveys the 1.82 acres from the City to Sunbay Resort Associates, LLC, upon receipt of notice by the City’s legal counsel in this matter that the pertinent requirements of the following documents that are conditions precedent to the conveyance have been satisfied: (1) the Agreement Regarding Affordable and Workforce Housing (the “Agreement”) between the City, the Agency and SRA; and (2) the Amended and Restated Golf Course Lease (the “GC Lease”).

6. The City Council hereby approves the amendment to the Restated Lease Agreement between the City and B&B Golf Course Properties, LLC entitled “Partial Termination of Amended and Restated Lease and Amendment to Memorandum of Amended and Restated Lease,” attached as Attachment 5, which document terminates the golf course lease with respect to the 1.82 acre portion of the City-owned golf course property that is the subject of the conveyance to SRA, and authorizes the City Manager to execute the amendment.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Seaside, State of California, on the 15th day of March 2007, by the following vote:

AYES: COUNCIL MEMBERS: Alexander, Jordan, Mancini, Bloomer, Rubio
NOES: COUNCIL MEMBERS: None
ABSENT: COUNCIL MEMBERS: None
ABSTAIN: COUNCIL MEMBERS: None

Ralph Rubio, Mayor
City of Seaside

ATTEST:

Joyce E. Newsome, City Clerk
LEGAL DESCRIPTION
OF PARCEL 1
VOLUME 26 SURVEYS, PAGE 28

All that real property situated in the City of Seaside, County of Monterey, State of California, described as follows:

Being all of Parcel 1 as shown on that certain map filed in the office of the Monterey County Recorder at Volume 26 of Surveys, at Page 28, excepting therefrom the following described parcel of land:

A portion of said Parcel 1 more particularly described as follows:

Commencing at the most northwesterly corner of Parcel 2, as said parcel is shown on that certain map filed in the Office of the Monterey County Recorder at Volume 21 of Parcel Maps at Page 55, thence running along the northeasterly line of said parcel.

a) South 65°18'44" East, 140.67 feet; thence continuing along said line

b) South 48°34'36" East, 6.73 feet to the True Point of Beginning; thence leaving said northeasterly line, and running along the westerly line of said Parcel 1

1) North 01°05'39" West, 70.00 feet; thence leaving said westerly line
2) East, 67.26 feet; thence
3) South 50°53'20" East, 715.70 feet; thence
4) South 26°29'40" East, 146.51 feet to a point on said northeasterly line of said Parcel 2; thence running along said line
5) North 54°48'21" West, 116.12 feet; thence continuing along said line
6) North 70°30'41" West, 79.18 feet; thence continuing along said line
7) North 52°56'22" West, 364.27 feet; thence continuing along said line
8) North 48°34'36" West, 301.92 feet to the True Point of Beginning.

Containing 1.82 acres, more or less.

Said Parcel 1 containing 373.31 acres, more or less.

END OF DESCRIPTION

Bestor Engineers, Inc

John W. Pettley
PLS #6202
Exp: 3/31/08
LEGAL DESCRIPTION
OF PARCEL 2
VOLUME 21 PARCEL MAPS, PAGE 55

All that real property situated in the City of Seaside, County of Monterey, State of California, described as follows:

Being all of Parcel 2 as said parcel is shown on that certain map filed in the office of the Monterey County Recorder at Volume 21 of Parcel Maps, at Page 55, and, in addition thereto, the following described parcel of land:

A portion of Parcel 1, as said parcel is shown on that certain map filed in the office of the Monterey County Recorder at Volume 26 of Surveys, at Page 28 more particularly described as follows:

Commencing at the most northwesterly corner of said Parcel 2; thence running along the northeasterly line of said parcel.

a) South 65°18'44" East, 140.67 feet; thence continuing along said line
b) South 48°34'36" East, 6.73 feet to the True Point of Beginning; thence leaving said northeasterly line, and running along the westerly line of said Parcel 1
1) North 01°05'39" West, 70.00 feet; thence leaving said westerly line
2) East, 67.26 feet; thence
3) South 50°53'20" East, 715.70 feet; thence
4) South 26°29'40" East, 146.51 feet to a point on said northeasterly line of said Parcel 2; thence running along said line
5) North 54°48'21" West, 116.12 feet; thence continuing along said line
6) North 70°30'41" West, 79.18 feet; thence continuing along said line
7) North 52°56'22" West, 364.27 feet; thence continuing along said line
8) North 48°34'36" West, 301.92 feet to the True Point of Beginning.

Containing 1.82 acres, more or less.

Said Parcel 2 containing 6.27 acres, more or less.

END OF DESCRIPTION

Bestor Engineers, Inc

John W. Pettley
PLS #6202
Exp: 3/31/08
CERTIFICATE OF COMPLIANCE

in connection with the approval of a
LOT LINE ADJUSTMENT

California Government Code Sections
66412(d) and 66499.35

SUBJECT PARCELS: (2 Parcels)

Parcel 1 of Volume 26 of Surveys, Page 28
as recorded in County Recorders Office for
the County of Monterey
Assessors Parcel No: 031-051-029
Street Address:
#1 McClure Way
Seaside, California 93955

AND

Parcel 2 of Volume 21 of Parcel Maps,
Page 55 as recorded in the County Recorders Office
for the County of Monterey
Assessors Parcel No: 031-051-014
Street Address:
5200 Coe Avenue
Seaside, California 93955

OWNER(s):

City of Seaside

Sunbay Resort Associates, LLC

I, Tim O’Halloran, am the City Engineer of the City of Seaside, a California Municipal Corporation, and am authorized to act on behalf of the City of Seaside in the issuance of this Certificate. I am in receipt of a request for a Certificate of Compliance from the above-mentioned owners, a copy of which is attached hereto as Exhibit “A”. I do hereby certify as follows:

(a) The location of the boundary line dividing the two lots listed above is hereby adjusted so as to reconfigure both lots into two (2) parcels as described in Exhibit “A” attached to this Certificate, and depicted on the Record of Survey, attached as Exhibit “B”. This lot line adjustment is made pursuant to, and in conformance with, a request made by the owners of the subject lots, the City of Seaside and Sunbay Resort Associates, LLC.
(b) The parcels created by this lot line adjustment comply with the lot line adjustment requirements of the Subdivision Map Act (California Government Code Section 66412(d)), and the creation of these parcels is exempt from the Parcel Map requirements of the California Subdivision Map Act.

(c) This Certificate relates only to the issue of compliance with the Subdivision Map Act and City ordinances enacted pursuant thereto. The parcels described herein may be sold, leased, or financed without further compliance with the Subdivision Map Act or any local ordinance enacted pursuant thereto. Development of the parcels may require issuance of a permit or permits, or other grant or grants of approval.

(d) Nothing in this Certificate eliminates the requirement to obtain all required permits and other grants of approval from the City of Seaside and other public entities, that have not already been issued or granted for additional development or redevelopment of the subject parcels.

(e) This Certificate of Compliance is subject to the conditions that the lot line adjustment approved with this Certificate shall be reflected in a quitclaim deed which shall be recorded concurrently with this Certificate.

Approved and Certified, this 22nd day of March 2007.

Tim O’Halloran, City Engineer
City of Seaside

State of California
County of Monterey

On 3/22/2007, before me, Joyce E. Newsome, Notary Public, personally appeared Tim O’Halloran, person known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) 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.

WITNESS my hand and official seal.

Joyce E. Newsome
Notary Public

(Seal)
EXHIBIT “A”

Legal Description of the Two Parcels
as reconfigured by a Lot Line Adjustment and depicted on
the Record of Survey dated November, 2006

PARCEL 1

[LEGAL DESCRIPTION]

PARCEL 2

[LEGAL DESCRIPTION]
LEGAL DESCRIPTION
OF PARCEL 1
VOLUME 26 SURVEYS, PAGE 28

All that real property situated in the City of Seaside, County of Monterey, State of California, described as follows:

Being all of Parcel 1 as shown on that certain map filed in the office of the Monterey County Recorder at Volume 26 of Surveys, at Page 28, excepting therefrom the following described parcel of land:

A portion of said Parcel 1 more particularly described as follows:

Commencing at the most northwesterly corner of Parcel 2, as said parcel is shown on that certain map filed in the Office of the Monterey County Recorder at Volume 21 of Parcel Maps at Page 55; thence running along the northeasterly line of said parcel.

   a) South 65°18'44" East, 140.67 feet; thence continuing along said line
   b) South 48°34'36" East, 6.73 feet to the True Point of Beginning; thence leaving said northeasterly line, and running along the westerly line of said Parcel 1

1) North 01°05'39" West, 70.00 feet; thence leaving said westerly line
2) East, 67.26 feet; thence
3) South 50°53'20" East, 715.70 feet; thence
4) South 26°28'40" East, 146.51 feet to a point on said northeasterly line of said Parcel 2; thence running along said line
5) North 54°49'21" West, 116.12 feet; thence continuing along said line
6) North 70°30'41" West, 79.18 feet; thence continuing along said line
7) North 52°56'22" West, 364.27 feet; thence continuing along said line
8) North 48°34'36" West, 301.92 feet to the True Point of Beginning.

Containing 1.82 acres, more or less.

Said Parcel 1 containing 373.31 acres, more or less.

END OF DESCRIPTION

Bestor Engineers, Inc

John W. Pettley
PLS #6202
Exp. 3/31/08

1 of 3
LEGAL DESCRIPTION
OF PARCEL 2
VOLUME 21 PARCEL MAPS, PAGE 55

All that real property situated in the City of Seaside, County of Monterey, State of
California, described as follows:

Being all of Parcel 2 as said parcel is shown on that certain map filed in the office of the
Monterey County Recorder at Volume 21 of Parcel Maps, at Page 55, and, in addition
therefore, the following described parcel of land:

A portion of Parcel 1, as said parcel is shown on that certain map filed in the office of the
Monterey County Recorder at Volume 26 of Surveys, at Page 28 more particularly
described as follows:

Commencing at the most northwesterly corner of said Parcel 2; thence running along
the northeasterly line of said parcel,

a) South 65°18'44" East, 140.67 feet; thence continuing along said line

b) South 48°34'36" East, 6.73 feet to the True Point of Beginning; thence leaving
said northeasterly line, and running along the westerly line of said Parcel 1

1) North 01°05'39" West, 70.00 feet; thence leaving said westerly line
2) East, 67.26 feet; thence
3) South 50°53'20" East, 715.70 feet; thence
4) South 29°40" East, 146.51 feet to a point on said northeasterly line of said
Parcel 2; thence running along said line
5) North 54°48'21" West, 116.12 feet; thence continuing along said line
6) North 70°20'41" West, 79.18 feet; thence continuing along said line
7) North 52°56'22" West, 364.27 feet; thence continuing along said line
8) North 48°34'36" West, 301.92 feet to the True Point of Beginning.

Containing 1.82 acres, more or less.

Said Parcel 2 containing 6.27 acres, more or less.

END OF DESCRIPTION

Bestor Engineers, Inc

John W. Pettley
PLS #6202
Exp: 3/31/08

2 of 3
B&B GOLF COURSE PROPERTIES, LLC
310 South Williams Boulevard, Suite 180
Tucson, Arizona 85711

January 31, 2007

City of Seaside
440 Harcourt Avenue
Seaside, California 93955
Attn: Ray Corpuz, City Manager

Re: Bayonet and Blackhorse Golf Courses, Seaside, California
Partial Release of 1.82 Acre “Carve-Out Site”

Dear Mr. Corpuz:

B&B Golf Course Properties, LLC concurs with the withdrawal from the golf course lease premises of the property shown on the attached legal description. Textron Financial Corporation, which holds a leasehold deed of trust on the property, has indicated its concurrence by depositing the necessary documents with Stewart Title in Monterey.

Sincerely,

B&B Golf Course Properties, LLC

By: [Signature]
Authorized Agent
Recording Requested by, and
when recorded return to:

City of Seaside
440 Harcourt Avenue
Seaside, CA 93455
Attn: City Clerk

SPACE ABOVE LINE FOR RECORDER’S USE

PARTIAL TERMINATION OF AMENDED AND RESTATED LEASE AND
AMENDMENT TO MEMORANDUM OF AMENDED AND RESTATED LEASE

RECITALS

A. The City of Seaside, California (the “City”) and BSL Golf of California, Inc., a
California corporation (“BSL”) entered into a Ground Lease dated October 23, 1996 (the
“Lease”), evidenced by a Memorandum of Commencement Date recorded on January 15, 1997
in the Office of the Monterey County Recorder (the “Recorder’s Office”) in Reel 3468 at Page
1575.

B. BSL assigned the Lease as to a portion of the leased premises to the
Redevelopment Agency of the City of Seaside pursuant to a Partial Assignment of Lease dated
December 13, 2005, recorded in the Recorder’s Office on December 15, 2005 as instrument
number 2005131757.

C. BSL assigned its remaining interest in the Lease to B&B Golf Course Properties,
LLC, an Arizona limited liability company (“B & B”), pursuant to an Assignment and
Assumption of Lease dated in December, 2005, recorded on December 15, 2005 in the
Recorder’s Office as instrument number 2005131759.

D. The City and B & B entered into an Amended and Restated Ground Lease dated
as of December 15, 2005 (the “Restated Lease”) and recorded a Memorandum of Amended and
Restated Lease on December 15, 2005 in the Recorder’s Office as instrument number
2005131760 (the “Memorandum of Lease”).

E. Section 16(h) of the Restated Lease permits the City to terminate the Restated
Lease as to approximately 1.82 acres of the Leased Premises described on Exhibit “A” (2 pages)
attached hereto (the “Carve Out Site”).

F. The City has properly and timely elected to terminate the Restated Lease as to the
Carve Out Site, and the City and B & B now desire to comply with Section 16(h)(i) of the
Restated Lease which requires them to record a memorandum against the Leased Premises in the
Recorder’s Office to evidence that the Restated Lease has terminated with respect to the Carve
Out Site.
NOW, THEREFORE, the City and B&B hereby terminate the Restated Lease with respect to the Carve Out Site effective as of the date of recordation hereof.

“CITY”

CITY OF SEASIDE, a municipal corporation.

By:  
Ray Corpuz  
City Manager

“B & B”

B & B GOLF COURSE PROPERTIES, LLC

By:  Seaside Golf Investors, LLC, an Arizona limited liability company, its member

By:  
Donald Pitt, as Trustee of the  
Donald Pitt Separate Property Trust  
dated November 11, 1991, its sole member

By:  B & B Golf Investors, LLC, an Arizona limited liability company, its member

By:  
Donald Diamond, its Manager
STATE OF CALIFORNIA
COUNTY OF MONTEREY

On the 22nd day of March, 2007, before me, Joyce E. Newsome, a notary public, personally appeared Ray Corpuz (personally known to me or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he or she executed the same in his or her authorized capacity and that by his or her signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Joyce E. Newsome
Notary Public

SEAL:

STATE OF CALIFORNIA
COUNTY OF MONTEREY

On the ______ day of ________, 2007, before me, ____________________________, a notary public, personally appeared ____________________________, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that he or she executed the same in his or her authorized capacity and that by his or her signature on the instrument the person or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

__________________
Notary Public

SEAL:
On the _____ day of __________, 2007, before me, ____________________________, a
notary public, personally appeared ________________________, personally known to me (or proved to
me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within
instrument and acknowledged to me that he or she executed the same in his or her authorized
capacity and that by his or her signature on the instrument the person or the entity upon behalf of
which the person acted, executed the instrument.

WITNESS my hand and official seal.

________________________
Notary Public

SEAL:
EXHIBIT “A”

Legal Description

All that real property situated in the City of Seaside, County of Monterey, State of California, described as follows:

A portion of Parcel 1 as shown on that certain map filed in the office of the Monterey County Recorder at Volume 26 of Surveys, at Page 28, more particularly described as follows: Commencing at the most northwesterly corner of Parcel 2, as said parcel is shown on that certain map filed in the Office of the Monterey County Recorder at Volume 21 of Parcel Maps at Page 55; thence running along the northeasterly line of said parcel.

South 65°18’44” East, 140.67 feet; thence continuing along said line
South 48°34’36” East, 6.73 feet to the True Point of Beginning; thence leaving said northeasterly line, and running along the westerly line of said Parcel 1
North 01°05’39” West, 70.00 feet; thence leaving said westerly line
East, 67.26 feet; thence
South 50°53’20” East, 715.70 feet; thence
South 26°29’40” East, 146.51 feet to point of said northeasterly line of said Parcel 2; thence running along said line
North 54°48’21” West, 116.12 feet; thence continuing along said line
North 70°30’41” West, 79.18 feet; thence continuing along said line
North 52°56’22” West, 364.27 feet; thence continuing along said line
North 48°34’36” West, 301.92 feet to the True Point of Beginning.

Containing 1.82 acres, more or less.
CITY OF SEASIDE

STAFF REPORT

TO: Honorable Mayor and City Council

FROM: Ray Corpuz, City Manager

BY: Diana Ingersoll, Deputy City Manager-Resource Management Services

DATE: March 15, 2007

SUBJECT: APPROVAL OF LOT LINE ADJUSTMENT APPLICATION NO. LLA-07-03 AND AN AMENDMENT TO THE RESTATED LEASE BETWEEN THE CITY AND B&B GOLF COURSE PROPERTIES, LLC

PURPOSE

The purpose of this agenda item is for the City Council to consider approval of the following:

1. A lot line adjustment and authorization of the recording of a Record of Survey Map and Certificate of Compliance to effectuate, together with a previously approved quitclaim deed, the conveyance of 1.82-acres of land from the City-owned golf parcel to Sunbay Resort Associates, LLC (“SRA”); and

2. An amendment to the Restated Lease Between the City and B&B Golf Course Properties, LLC entitled “Partial Termination of Amended and Restated Lease and Amendment to Memorandum of Amended and Restated Lease” to terminate the golf course lease with respect to the 1.82 acre portion of the City-owned golf course property that is to be conveyed to SRA in connection with the Seaside Resort Project.

RECOMMENDATION

It is recommended that the City Council adopt City Council Resolution No. 07-__ (Attachment 1) approving: (1) a Lot Line Adjustment (“LLA”) and authorize staff to record the Record of Survey Map (Attachment 2) concurrently with a Certificate of Compliance (Attachment 3) and the previously approved quitclaim deed, upon receipt of notice by City legal counsel in this matter that the pertinent requirements of the following documents that are precedent to this conveyance have been satisfied: (i) the Agreement Regarding Affordable and Workforce Housing (the “Agreement”) between the City, the Agency and SRA; and (ii) the Amended and Restated Golf Course Lease (the “GC Lease”); and (2) an amendment to the Restated Lease between the City and B&B Golf Course Properties, LLC entitled “Partial Termination of Amended and Restated Lease and Amendment to Memorandum of Amended and Restated
Lot Line Adjustment Application

Lease” to terminate the golf course lease for the 1.82 acre City-owned property that is the subject of the conveyance to SRA.

BACKGROUND

On September 1, 2005, the City Council adopted Resolution No. 05-59 approving an Agreement between the City of Seaside, the Redevelopment Agency of the City of Seaside and SRA relating to affordable housing obligations for the Seaside Resort Project. Among other things, Resolution No. 05-59 approved and authorized the conveyance of 1.82 acres of land from the City-owned golf course property adjoining the Sunbay Apartments site that is excess to the needs of the golf course operator to SRA by a quitclaim deed. In connection with the quitclaim deed, this lot line adjustment will effectuate that transfer and result in the enlargement of SRA’s existing 4.45 acre parcel, that abuts the golf course, to 6.27 acres. An amendment to the Restated Lease between the City and B&B Golf Course Properties, LLC has also been prepared to terminate the golf course lease on the 1.82 acre City-owned property that is the subject of the conveyance to SRA. This amendment is entitled “Partial Termination of Amended and Restated Lease and Amendment to Memorandum of Amended and Restated Lease.”

STAFF ANALYSIS

Staff has reviewed the Agreement and determined that the appropriate mechanisms to effectuate the conveyance are a lot line adjustment, certificate of compliance, and a quitclaim deed. This is accomplished by filing a Record of Survey Map (Attachment 2) together with an executed Certificate of Compliance (Attachment 3) and a quitclaim deed with the Office of the Monterey County Recorder. Amendment No. 1 to the Restated Lease between the City and B&B Golf Course Properties, LLC is also appropriate so that the 1.82 acre property will not longer be the subject of the golf course lease and can be used by SRA for affordable housing purposes.

The GC Lease contemplated partial termination of the Lease with respect to this site. On September 15, 2006, the City delivered a notice to B&B Golf Course Properties, LLC (“B&B”) of its intent to terminate the Lease with respect to this site. B&B’s (including B&B’s lenders) acknowledgment and acceptance of this partial termination is included as Attachment 4.

A copy of the amendment to the Restated Lease between the City and B&B Golf Course Properties, LLC that is entitled “Partial Termination of Amended and Restated Lease and Amendment to Memorandum of Amended and Restated Lease” is included as Attachment 5.
Honorable Mayor and City Council  
Lot Line Adjustment Application  

March 15, 2007  
Page 3

ENVIRONMENTAL CONSIDERATIONS

Pursuant to the California Environmental Quality Act (CEQA) Guidelines, the Lot Line Adjustment Application, the Amendment to the Golf Course Lease, the recording of the Record of Survey Map and the Certificate of Compliance for the conveyance of the 1.82 acres of property to SRA qualifies as a Class 5 Categorical Exemption (Section 15305 of the CEQA Guidelines) because the lot line adjustment would not result in the creation of any new parcel. Furthermore, there is no evidence that this adjustment and conveyance will create a potentially significant impact on the environment.

FISCAL IMPACT

No fiscal impact. All recording fees associated with the Record of Survey Map will be paid by SRA.

ATTACHMENTS

Attachment 1 – City Council Resolution No. 07-__
Attachment 2 – Record of Survey Map and Legal Descriptions
Attachment 3 – Certificate of Compliance
Attachment 4 – B&B Acknowledgment and Acceptance
Attachment 5 – Partial Termination of Amended and Restated Lease and Amendment to Memorandum of Amended and Restated Lease

Reviewed for Submission to the City Council by:

[Signature]
Ray Corpuz, City Manager