

## **Term Sheet for Interagency Property Exchange (As of July 31, 2020)<sup>1</sup>**

### **I. Background**

This document sets forth key terms for the implementation of Section 5.4 of the Interagency Cooperation Agreement, as amended, ("Cooperation Agreement") by and between the San Benito High School District, the County of San Benito, and the City of Hollister. The purpose of Section 5.4 of the Cooperation Agreement was to provide a framework for the permanent closure by the City of Hollister and the County of San Benito of the portion of Nash Road between West Street and Monterey Road ("Nash Road Closure Area") and the deeding of fee interests or property rights therein to San Benito High School District, in exchange for the fee simple transfer of the Regional Park Property to the County of San Benito for the development of a regional park.

### **II. Accomplishments to Date**

Since the three agencies entered into the Cooperation Agreement, each party has contributed to the implementation of its obligations. Accomplishments to date reflect the strong collaborative relationship of the parties, and shows each agency's commitment to the community. Thus far, the following outcomes have been accomplished in furtherance of the Cooperation Agreement:

1) Alternate Access Road: For the purpose of creating an access route to the future Regional Park, and to create a bypass road in anticipation of the Nash Road closure, the County constructed the "River Parkway" road south of the high school campus, connecting Nash Road with San Benito Street. The District assisted with funding for developing the Access Road, as memorialized in Amendment #1 to the Interagency Cooperation Agreement, effective October 5, 2017. River Parkway is now being used daily by the community.

2) Road Closure: City Council and County Board of Supervisors each separately approved the temporary closure of the Nash Road Closure Area bisecting the San Benito High School campus during the hours of 7:00 am to 7:00 pm Monday through Friday, and as needed for special events. This collaboration has allowed students, staff, and visitors to safely traverse between the main campus buildings and the campus facilities located on the south side of Nash Road.

In 2019, both the City Council (August 5) and the County Board of Supervisors (September 10) took initial action to begin the process of permanently vacating and closing the Nash Road Closure Area.

3) Traffic Calming Measures: To further reduce safety hazards in the area, the City has installed a crosswalk and speed signs near and around the campus, and reverse-angle parking stalls at the high school. In addition, the District installed the bollards and safety gates to allow Nash Road to be closed during the day, and has implemented traffic calming measures and devices leading to, and near, the Nash Road closure area, including on Monterey Street, West Street, Powell Street, B Street, and D Street.

4) Additional Parking for Community Events: With the completion of the high school's new PE and athletic complex, including an updated aquatics center, and the proposed future Regional Park, the need has increased for nearby parking. County and District have

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<sup>1</sup> As of this date, the City has yet to approve the terms of this Term Sheet.

discussed the need for supplemental parking, and the District has recently finalized the construction of another parking lot adjacent to the multi-purpose field.

5) District Facility Master Plan. The District has experienced great success in the utilization of bond dollars that were approved by District voters with Measure G in 2014 and Measure U in 2016. Extensive campus improvements and infrastructure upgrades have been completed, in addition to new learning environments, increased safety measures, advancements in communication and technology, and new PE/athletic facilities. The District has made significant capital improvements and has had great success in the capital facility program over the past few years. However, there are still projects that have not yet been funded/completed from the adopted Facility Master Plan. The completion of the board adopted facilities master plan hinges on a permanent closure of Nash Road, which has been our collective goal all along.

### **III. Final Phase of Cooperation Agreement**

With all Parties having laid the foundation to move forward with the anticipated permanent closure of Nash Road, the Parties remain focused on completing this process and offer the following outline of potential terms for the final phase of property exchange and disposition:

#### **A. Form of Agreement**

- Property Exchange and Disposition Agreement (in accordance with Education Code sections 17536 and 17386).
  - District to prepare Agreement (thereby assuming legal costs)
  - Target Date for Exchange Agreement approval: **October 2020**
  - Target Date to complete exchange: **December 2020**

#### **B. Parties**

1. City: City of Hollister
2. County: County of San Benito
3. District: San Benito High School District

#### **C. Terms of Property Exchange Agreement**

1. Consideration
  - a) District to receive fee title to City's portion of Nash Road Closure Area, and quitclaim of County's interest in the Nash Road Closure Area
  - b) County to receive fee title to Regional Park Property from District (see attached maps)
  - c) City to receive benefits of road closure and traffic calming measures outlined in Cooperation Agreement (see Sections 4.2 & 4.3), and District to pay City \$53,606, the fair market value

for northern half of Nash Road Closure Area per appraisal dated April 6, 2020.

2. Escrow

- a) Escrow for this transaction to be established with the First American Title Company located at 260 Tres Pinos Road in Hollister, California, 95203. (Sec. 5.4.6.1 of Cooperation Agreement.)
- b) Each party shall pay its own costs for any preliminary title report or the title policy requested by that party.
- c) The parties shall share equally the escrow fees and charges, even if escrow fails to close. (Sec. 5.4.6.2 of Cooperation Agreement.)
- d) Target close of escrow date is December 15, 2020.

3. Duties of Each Party

a) *Vacation of Nash Road Closure Area*

(i) District Responsibilities

Survey Nash Road Closure Area and prepare legal descriptions and maps in recordable format.

(ii) County Responsibilities- the property exchange and disposal agreement is contingent upon the following happening:

- 1. Implement and complete statutory procedures to vacate County's interest in southern portion of Nash Road Closure Area, including proper notice of public hearing and conducting public hearing, if necessary. (See, Streets and Highway Code section 8300 et seq.)
- 2. CEQA compliance for street vacation, if needed

(iii) City Responsibilities

- 1. Implement statutory procedures to vacate City's interest in northern portion of Nash Road Closure Area, including proper notice of public hearing and conducting public hearing. (See, Streets and Highway Code section 8300 et seq.)
- 2. CEQA compliance for street vacation, if needed. County will be CEQA lead Other Agencies: If any other entity wants to collaborate with the park project and/or participate in a shared use agreement in the future or be proponent of the

park, they should contribute towards CEQA costs. (Agreements may be made in the future, rather than the present.)

b) *Define the Regional Park Boundaries, Operational Agreements, Annexation*

(i) District Responsibilities

Discuss/Determine with County appropriate method to create and convey Regional Park property (e.g., Record of Survey, Lot Line Adjustment, or Conveyance).

(ii) County Responsibilities

1. Survey proposed Regional Park portion to be conveyed from District to County, and prepare description and map in recordable format. (Sec. 5.1.1 & 5.4.5 of Cooperation Agreement.)
2. Survey remaining portions of District's property, and prepare description and map in recordable format. (Sec. 5.1.1 & 5.4.5 of Cooperation Agreement.)
3. Perform CEQA review of Regional Park property acquisition, including vacation of Nash Road by County (if needed), and address any mitigation requirements.

c) *Complete Property Exchange and Conveyances*

(i) District's Contingencies to Close of Escrow:

Close of escrow and transfer of consideration by District shall be contingent upon:

- District Board's review and satisfaction of the descriptions and survey maps prepared by County's engineer for the Regional Park and remaining portions of the District's open space area.
- District completion of and satisfaction with due diligence property investigation and status of title.
- Completion of tasks by County and City.

(ii) County's Contingencies to Close of Escrow:

Close of escrow and transfer of consideration shall be contingent upon:

- County BOS review and satisfaction of the description and survey map prepared by County's engineer for the Regional Park and southern portion of the Nash Road Closure Area.
- County BOS completion of the statutory procedures for vacation of its interest in the Nash Road Closure Area.
- County completion of due diligence investigation and status of title.
- County's completion of California Environmental Quality Act (CEQA) review for the vacation of the Nash Road Closure Area and acquisition of the Regional Park, if any.
- Completion of tasks by District and City.

(iii) City's Contingencies to Close of Escrow:

Close of escrow and transfer of consideration shall be contingent upon:

- City Council review and satisfaction of the description and survey map for the northern portion of the Nash Road Closure Area.
- City Council completion of the statutory procedures for vacation of its interest in the Nash Road Closure Area.
- City Council approval of the conveyance of its interest in the Nash Road Closure Area to District.
- City's completion of CEQA, if needed, for vacation of the Nash Road Closure Area.

4. Other Issues: Traffic Mitigation

- a) The parties agree that this Term Sheet does not modify the CEQA compliance requirements set forth in the Cooperation Agreement.

County to tap into the SHBSD electrical for traffic lights/flashing light/illumination of crosswalk at no cost.