

CITY OF LAGUNA NIGUEL

AGENDA ITEM CITY COUNCIL

OCTOBER 17, 2017

TO: Honorable Mayor and Council Members

FROM: Stephen Erlandson, Interim City Manager/Director of Finance

SUBJECT: Letter Encouraging Ongoing Negotiations between the County of Orange and Lab Holding, LLC related to the AGORA Project

SUMMARY: The City of Laguna Niguel remains committed to the development of the AGORA project on the former County Courthouse property. The City understands that there are issues that both the County of Orange and Lab Holding, LLC have been unable to reach agreement upon in past negotiations. It is recommended that the City Council issue a letter encouraging ongoing negotiations between the County of Orange and Lab Holding, LLC, with the City of Laguna Niguel acting as a facilitator, to resolve the differences that are preventing this economically and socially beneficial project from becoming a benefit to residents of Laguna Niguel.

BACKGROUND

The City of Laguna Niguel remains committed to the development of the AGORA project on the former County Courthouse property. The City understands that there are issues that both the County of Orange and Lab Holding, LLC have been unable to reach agreement upon in past negotiations. Although the City is not a party to the lease and has no standing in these negotiations, the City is concerned that the economic and social benefits that would be realized by Laguna Niguel residents may not come to fruition if the County of Orange and Lab holding, LLC do not continue their negotiations. The City of Laguna Niguel is proposing that further negotiations occur, with the City of Laguna Niguel acting as facilitator, to resolve the issues preventing the development of the AGORA project from which the negotiating parties and the residents of Laguna Niguel would benefit.

FISCAL IMPACT

There is no fiscal impact associated with the recommended action.

RECOMMENDATION

That the City Council sign and send a letter to the County of Orange and Lab Holding, LLC encouraging ongoing negotiations with the City of Laguna Niguel acting as a facilitator.


PREPARED

BY:


Stephen Erlandson
Interim City Manager/Director of Finance

REVIEWED

BY:


Terry Dixon
City Attorney

Attachment:

- A. Letter Encouraging Ongoing Negotiations between the County of Orange and Lab Holding, LLC related to the AGORA Project

ATTACHMENT A

Letter Encouraging Ongoing Negotiations between the County of
Orange and Lab Holding, LLC related to the AGORA Project



CITY of LAGUNA NIGUEL

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CITY COUNCIL

Mayor Fred Minagar
Mayor Pro Tem Elaine Gennawey
Council Member Laurie Davies
Council Member John Mark Jennings
Council Member Jerry Slusiewicz

October 17, 2017

Frank Kim, CEO
County of Orange
Hall of Administration
333 W. Santa Ana Boulevard
Santa Ana, CA 92701

Shaheen Sadeghi, CEO
Lab Holding LLC
709 Randolph Avenue
Costa Mesa, CA 92626

SUBJECT: AGORA PROJECT

Dear Mr. Kim and Mr. Sadeghi:

The City of Laguna Niguel remains committed to the development of AGORA, a unique project that continues to have enthusiastic community support. AGORA will provide an unparalleled opportunity to showcase the best in the City and we look forward to its completion.

We understand that there are issues that both the County of Orange and Lab Holding, LLC have been unable to reach agreement upon in past negotiations. The lease negotiations have been going on for well over a year and frustration levels must be high. The City is not a party to the lease and therefore has no standing in these negotiations. That being said, the City strongly encourages both the County and Mr. Sadeghi to strive to understand the needs and common interests of both parties, including producing a quality and financially successful project. Both parties need to find a solution for this shared vision and anticipated shared reward. Surely, there must be more than one way to accomplish the objectives of both parties.

As all parties are aware, the City and County have jointly paid for the preparation of the Environmental Impact Report (EIR) for the project with the City acting as the lead agency. Once the City receives a copy of the signed lease the Environmental Impact Report (EIR) can be made ready for the 45-day public review within ten days. City staff anticipates that during the 45-day review, we will provide a workshop for the Planning Commission in preparation for the Planning Commission public hearing and subsequent City Council public hearing. AGORA takes the highest priority and we estimate the project could be placed on the City Council meeting agenda within 4-5 months from the lease signing.

The City has done its part and stands ready to complete the process through the public hearings and encourages both parties to continue to work diligently together to come to agreement. Certainly a compromise can be reached with creative thinking and a willingness to move forward. The City remains optimistic that both parties can come to an agreement and looks forward to the opening day of AGORA. The City of Laguna Niguel believes it can be a facilitator in resolving the issues that are preventing the

County of Orange and Lab Holding, LLC, from moving forward with the AGORA project that would benefit the County, Lab Holding, LLC, and most importantly, the citizens of Laguna Niguel. The Laguna Niguel City Council is proposing that a meeting between representatives of the County of Orange and Lab Holding, LLC, with the City of Laguna Niguel acting as a facilitator, and that a date and time to meet be established, to resolve the differences that are preventing this economically and socially beneficial project from becoming a benefit to the residents of Laguna Niguel and the residents of surrounding Orange County cities.

Respectfully,

Fred Minagar
Mayor

Elaine Gennawey
Mayor Pro Tem

Laurie Davies
Council Member

John Mark Jennings
Council Member

Jerry Slusiewicz
Council Member

cc: Michelle Steele, Chairwoman, 2nd District
Andrew Do, Vice Chair, 1st District
Todd Spitzer, 3rd District
Shawn Nelson, 4th District
Lisa A. Bartlett, 5th District