



CITY of LAGUNA NIGUEL

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CITY COUNCIL

Mayor Fred Minagar
Mayor Pro Tem Elaine Gennaway
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 Laguna Niguel City Council is inordinately disappointed in the County's decision to terminate negotiations with Mr. Sadeghi. We are even more disappointed that this decision was made in closed session without any opportunity for input from City officials or residents. The AGORA project is a high priority for our community and we feel we should have been part of any discussion to terminate negotiations. Therefore, we respectfully request that the Board of Supervisors place on its next agenda an item to reverse its intent to terminate negotiations with Lab Holding, LLC and to enter into mediation to resolve all outstanding issues. We also would like to be a part of discussions affecting this project and to speak openly with the Supervisors about decisions impacting it. Further, we request the opportunity to help in the mediation process between the County of Orange and Lab Holding, LLC to resolve the issues that are preventing both parties from moving forward with the AGORA project. We believe unequivocally that this economically and socially beneficial project can come to fruition if meaningful mediation is undertaken by both parties. The City stands ready and willing to assist in this endeavor.

Respectfully,



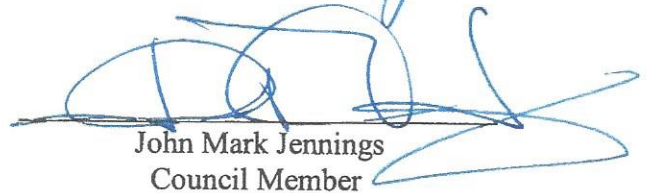
Fred Minagar
Mayor



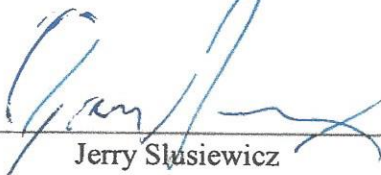
Elaine Gennawey
Mayor Pro Tem



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