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RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

RECORDED IN OFFICIAL RECORDS  
OF ORANGE COUNTY, CALIFORNIA

-8 45 PM AUG 22 '88

Environmental Management Agency  
County of Orange  
12 Civic Center Plaza  
Santa Ana, California 92701-4047  
Attention: Ernie Schneider

EXEMPT  
C13

*Lee A. Branch* COUNTY RECORDER

The undersigned declares that this document is recorded for the benefit of the County of Orange and is therefore exempt from the payment of the recording fee pursuant to Government Code Section 6103 and from the payment of the documentary transfer tax pursuant to Revenue and Taxation Code Section 11922.

(Space Above This Line for Recorder's Use)

IRREVOCABLE OFFER OF DEDICATION

THIS IRREVOCABLE OFFER OF DEDICATION ("Offer") of the right-of-way for the proposed San Joaquin Hills Transportation Corridor (the "Corridor") between future Sand Canyon Avenue and MacArthur Boulevard is made as of August 1, 1988, by The Irvine Company, a Michigan corporation ("Offeror"), in favor of the County of Orange, a political subdivision of the State of California ("County"), or, if designated by County, the San Joaquin Hills Transportation Corridor Agency ("Agency"), with reference to the following facts:

A. Offeror is the owner of fee title to certain real property (the "Property") located within an unincorporated area of the County. The Property is particularly described on Exhibit "A" and depicted on Exhibit "B," copies of which are attached hereto and by this reference made a part hereof.

B. On May 23, 1983, County and Offeror entered into the Irvine Coast Development Agreement (the "Development Agreement"), pursuant to California Government Code Sections 65864 through 65869.5, which Development Agreement provides, among other things, for Offeror to record this Offer for the Corridor.

88-417100

(a) Covenant 1: Use of Property. The Property shall be used solely for the purpose of construction, operation, maintenance and landscaping of public highway improvements and all necessary incidents thereto (the "Highway Improvements"); and, until such time as the Highway Improvements are constructed, it may be used by County for open space purposes, subject to the provisions of Section 3.C(2) below. Prior to the construction of the Highway Improvements, Offeror may also enter upon and use the Property at no cost whatsoever to Offeror, so long as such use does not unreasonably interfere with the ultimate construction of the Highway Improvements. Such uses shall include, but not be limited to, construction activity related to Offeror's development of the Irvine Coast, as such Irvine Coast is described in the Development Agreement. For the purpose of these Covenants, Highway Improvements shall include, but not be limited to, roadways, roadway bridges, ramps, roadway drainage structures, roadway drainage pump facilities and other structures used for temporary roadway construction and/or roadway construction material storage purposes. However, Highway Improvements specifically excludes (i) improvements which are not related to transportation or any of the types of Highway Improvements specified in the preceding sentence; and (ii) the sale, assignment, lease or other transfer or conveyance of all or any portion of the Property by County to public agencies or private entities for any purpose not related to transportation or the types of Highway Improvements specified in the preceding sentence, or for any commercial, retail or for-profit use.

(b) Covenant 2: Maintenance and Repairs. County shall keep and maintain the Property and any Highway Improvements thereon in a neat, clean, safe, attractive and operational condition at all times, in accordance with applicable laws and regulations and in a manner consistent with other Highway Improvements in the County and State of California highway systems. County shall also insure that all repairs and replacements of improvements on the Property are made in accordance with all applicable governmental regulations. County shall be responsible for the abatement and/or removal, in accordance with applicable local, state and federal laws, of any and all toxic, hazardous, dangerous or potentially dangerous wastes and contaminants, whether known or unknown, discovered, deposited or spilled on the Property. If any waste or contaminant is deposited or spilled in connection with County's use of the Property, County shall also be responsible for the removal and/or abatement of any waste or contaminant deposited or spilled on any real property now or hereafter owned by Offeror.

88-417100

designate in writing to Offeror that portion of the Property required for the right-of-way for the Corridor (the "Designated Alignment") prior to the expiration of one year after the later to occur of: (1) Final EIR 494 being certified as complete; or (2) the final EIS for that portion of the Corridor traversing the Property being certified as complete. County shall indicate by legal description the manner in which, if any, the Designated Alignment differs from the Preferred Alignment offered hereunder, including a determination of any difference in the number of acres and Corridor credits related thereto. Offeror and County shall prepare and record in the Official Records of Orange County, California, an amendment to this Offer which provides notice of designation of the required right-of-way for the Designated Alignment and notice of termination of this Offer as to the portion of the Preferred Alignment which does not fall within the Designated Alignment. This Offer shall terminate if County fails to designate the Designated Alignment within the time period required hereunder; provided, however, in the event any person other than County commences any lawsuit which attacks the validity of Final EIR 494 or the final EIS for such portion of the Corridor traversing the Property, the time for the designation of such required right-of-way shall be tolled until the validity of EIR 494 or the EIS is upheld in such lawsuit, or, if held invalid, the necessary environmental actions are taken.

E. Acceptance of Offer.

(1) Conditions Precedent to Acceptance of Offer.

This Offer can be accepted only after all of the following events have occurred:

(a) Recordation of Designation of Right-of-Way. County has designated the right-of-way as required in Section 3.D above, and the amended right-of-way has been recorded in the Official Records of Orange County, California.

(b) Corridor Credits. At the time of the recordation of this Offer, Offeror is granted credits toward future Corridor fees, in accordance with the Fee Program in effect at the time of the recordation of this Offer, for the value of the creditable right-of-way offered for dedication hereunder. Such credits are, at a minimum, in the amount of Three Million Nine Hundred Forty Thousand Nine Hundred Fifty Dollars (\$3,940,950), which is based upon an estimated minimum of seventy-five (75) acres of right-of-way that are eligible for credit times Fifty-two Thousand Five Hundred

88-417100

Forty-six Dollars (\$52,546) per acre. If additional right-of-way is offered for dedication under Section 3.D above, Offeror is granted additional credits at the time of the recordation of the amended right-of-way in the Official Records of Orange County, California. Such additional credits are based upon (i) the net increase in the number of acres of right-of-way that are eligible for credit and (ii) the value of such additional right-of-way according to the Fee Program then in effect. Notwithstanding any prior dedication or conveyance of right-of-way to County, any portion of the Property which is a part of Pelican Hill Road is used in the computation of property eligible for credit under the Fee Program, as amended or superseded. At the time Offeror is granted any credits, it is permitted to use such credits to reduce Corridor fees. Prior to acceptance of this Offer, County and Offeror have entered into an agreement specifying the total amount of credits due to Offeror under this Offer and the Fee Program, as amended or superseded.

(c) Approvals for Corridor. The procurement of all required approvals in accordance with applicable Regulations, as defined in the Development Agreement, for the construction of the Corridor, including full compliance with CEQA and NEPA.

(d) Tract Map Recordation or Approval of Plans. The first to occur of the following: (1) recordation of the first development tract map of real property owned by Offeror and which is the subject of the Development Agreement; or (2) approval by County or Agency of plans, specifications and estimates for the construction of the Corridor between future Sand Canyon Avenue and MacArthur Boulevard.

(2) Manner of Acceptance. The Offer shall be accepted by County by resolution or other official action appropriate to the powers of and laws governing County, a notice of which action shall be recorded in the Official Records of Orange County, California.

(3) Notice of Acceptance. Promptly after acceptance of this Offer by County as provided in Section 3.E(2) above, County shall mail or deliver a copy of its resolution or other action of acceptance to the then owners of the Property at the address shown on the latest secured assessment roll, and within sixty (60) days thereafter, if requested by County, said owners may, at their election, remove any permanent structures located on the Property. If such structures are not removed within the sixty (60) day

88-417100

period following said owner's receipt of such notice, Offeror shall hold County free and harmless from any and all liability for the destruction or removal of such structures.

(4) Effects of Legal Action Preventing Development. County's power to accept this Offer and the conveyance of title shall be automatically suspended if Offeror is prevented from developing its coastal development under the Irvine Coast Local Coastal Program by operation of local, state or federal law (including, but not limited to, the initiative or referendum process) or by any court decision rescinding, blocking or otherwise adversely affecting such development. At any time that Offeror is subsequently entitled to proceed with such development, the right to accept this Offer shall be automatically reinstated, provided that the Offer has not terminated pursuant to Section 1 above.

F. Offer Irrevocable. This Offer is irrevocable and shall be binding upon the undersigned Offeror and its respective heirs, successors and assigns. Any amendment to this Offer, as provided for in Sections 1.B and 3.D, is not and shall not be construed as a revocation.

G. Maintenance and Use Prior to Acceptance. Offeror shall be responsible for maintaining the Property offered for dedication until the Offer is accepted by County or the Offer is terminated as provided herein. Offeror is permitted to use the Property for any reasonable use until this Offer is accepted by the County or terminated as provided above. Offeror shall provide appropriate, temporary right-of-entry to County, by entry permit of Offeror, for activities necessary for the determination of the Designated Alignment or reasonably related to any study or investigation necessary for purposes of EIR 494 or the EIS for that portion of the Corridor traversing the Property.

H. Condition of Property. County shall accept the Property under this Offer in an "AS IS" condition, and, by accepting this Offer, acknowledges that Offeror has not made any representation or warranty, real or implied, as to its condition or suitability for any use. Acceptance of this Offer shall constitute County's agreement to indemnify and hold Offeror harmless from and against any liability to County or any third party for any defect, patent or latent, in the Property.

I. Condemnation. If for any reason County institutes an action in eminent domain to acquire property of Offeror