



Project No: PM 1168-2

Project Name: Amendment to Quitclaim Deed with OCPOA at Katella Training Facility

Project Location: 1900 W. Katella, Orange

**REAL PROPERTY CONVEYANCE QUESTIONNAIRE
FOR AMENDMENT TO QUITCLAIM DEED
WITH ORANGE COUNTY PEACE OFFICERS ASSOCIATION, INC.
AT KATELLA TRAINING FACILITY
1900 WEST KATELLA AVENUE, ORANGE**

1. What property interest is being considered for conveyance (e.g., fee, lease, license, easement)?

This is the First Amendment to Quitclaim Deed at 1900 W. Katella Avenue in Orange.

a) Why is this property being considered for lease, license, sale or other conveyance?

The Quitclaim includes within its conditions of dedication a requirement that the Facility be available for civilian shooters at reasonable times. However, due to current societal conditions regarding law enforcement and recent armed/ambushed attacks on police officers, continued public access to the Facility is deemed to be an unreasonable risk to law enforcement personnel who train and qualify at the Facility. Consequently, the OCPOA and the County have agreed to amend the Quitclaim by eliminating the condition that dedicates public access to the Facility.

b) How and who identified this property as a potential conveyance?

The OC Sheriff-Coroner has been operating the County-owned property known as the Katella Training Facility located at 1900 West Katella Avenue in the City of Orange (“**Facility**”) and offsets operating costs by licensing the Facility to other local governments for peace officer training.

c) What factors are key in recommending this property for conveyance?

Amending the Quitclaim Deed will eliminate public access to the firing range at the Facility resulting in increased safety for law enforcement when training at this Facility.

d) How does the proposed conveyance fit into the County’s/District’s strategic or general plan?

The County’s Strategic Initiatives are as follows:

- Promoting a Healthy Community.
- Building for the Future of Our Community.
- Protecting Our Community:

The OCPOA and County’s continued use of the Facility under the Amended Quitclaim Deed supports all three Strategic Initiatives, because the both Parties increase their levels of training at the Facility resulting in greater efficiencies and effectiveness in these areas:

1. Assure disaster preparedness and prompt emergency response.
2. Reduce crime and recidivism.
3. Promote a fair and equitable criminal justice system.



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e) What are the short and long term anticipated uses of the property?

The Facility will continue to be used in the short and long term as a training facility for the OC Sheriff-Coroner and any of its users, such as the City of Irvine.

f) Are there any limitations on the use of the property in the conveyance documents?

Yes, the County is required to provide OCPOA with classroom, office and storage space within the Facility, otherwise, if this provision is not honored, then the Quitclaim Deed allows OCPOA reversionary rights to the property.

2. What analysis has been performed as to whether to convey the proposed real property interest?

This is an existing Quitclaim Deed and Amending the Quitclaim allows the County continued operation for its use in training Sheriff staff, as well as Licensing it to outside entities for training; and eliminating public access will increase safety for law enforcement training at the Facility.

a) Have there been any internally or externally prepared reports regarding this property conveyance?

No.

b) Who performed the analysis?

OC Sheriff Real Estate staff.

c) Provide details about the analysis and cost/benefit comparison.

In proposed First Amendment, the OCPOA and the County specify that 10% of all such Sheriff-collected parking fees from event parking shall be paid to OCPOA for the purpose of OCPOA funding maintenance and repairs, as well as adding equipment if needed, to the classroom, office and storage space used by OCPOA.

3. How was the conveyance price, or lease/license rent, determined?

Not applicable.

a) Who performed the appraisal or market study and what certifications do they possess?

Not applicable.

b) How does the price/rent compare with comparable properties?

Not applicable.

c) Does the setting of the price/rent follow industry standards and best practices?

Not applicable.



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- d) What are the specific maintenance requirements and other costs within the agreement and who is responsible? Provide an estimate of the costs to the County/District if applicable.

County will provide the following at the Facility:

- Repairs and maintenance to a majority of the Facility.
- All utilities.
- All janitorial.

Orange County Peace Officers Association will provide the following at the Facility:

- Contribute to repairs and maintenance to the classroom, office and storage space.

4. What additional post-conveyance remodeling or upgrade costs will be needed for the property to meet its intended use?

None.

- a) Will any of the upgrades be required to meet County, ADA, or other standards and requirements?

Not applicable.

- b) Include estimates of the costs.

Not applicable.

- c) What entity will be responsible for the costs?

Not applicable.

5. Can the County terminate the sale/easement, lease/license?

No.

- a) What would be necessary to terminate the agreement and when can it be terminated?

Not applicable.

- b) Are there penalties to terminate the sale/easement, lease/license?

Not applicable.

6. What entity will be responsible for the payment(s)?

The City of Irvine will make the payments and the Sheriff will receive the funds.



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a) How will the funds received be used or applied?

The County's Operating Agreement with Parking Concepts, Inc. (PCI) to operate the west parking lot of the Katella Training Facility for overflow and alternative parking during sporting and special events from the Honda Center of Anaheim generates parking fees, less revenue retained by PCI, which net revenue is then used by the Sheriff for County general-use funds. The Amendment One to the Quitclaim Deed will now provide that 10% of all such Sheriff-collected parking fees shall now be paid to OCPOA for the purpose of OCPOA funding maintenance and repairs, as well as adding equipment if needed, to the classroom, office and storage space used by OCPOA at the Katella Training Facility.

b) What fund number will the funds from the conveyance ultimately be deposited into?

Fund 060.

c) If restricted funds might be created or supplemented, check with the Auditor Controller's General Accounting Unit and Counsel if you have questions about whether restricted funds are involved.

Not Applicable.

d) If restricted funds might be created or supplemented, has County Counsel advised that the destination fund for the payment(s) is properly restricted?

Not Applicable.

7. Does the proposed sale/easement, lease/license agreement comply with the CEO Real Estate standard language?

The First Amendment to Quitclaim Deed uses specific wording for this Facility.

a) List any modified clauses and reasons for modification.

Not applicable.

8. If this is a lease, is it a straight lease, an operating lease, a lease with an option to purchase, or a capital lease (see details below)?

This Section is not applicable as the County has deeded rights from the Amendment to Quitclaim Deed.

Capital Lease Determination: At the inception of any *potential* capital lease, it is important to contact the Auditor-Controller's Capital Asset Unit for further guidance to ensure proper classification and accounting for the lease occurs. There are specialized accounting rules and required forms for capital leases. See further details in the County's Accounting Manual, Policy No. FA-1: *Accounting for Lease Purchases (Capital Leases)*, located on the intranet. For accounting purposes only, a capital lease exists if ANY one (1) of the following four (4) criteria is met:



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- i) Lease transfers ownership to another party by the end of the term.
- ii) Lease contains an option for the other party to purchase the property by the end of the term for a price lower than the expected fair market value of the property? (For example \$1 or \$1,000, and based on this option price, for accounting purposes only, the ultimate purchase of the property is deemed reasonably assured at the inception of the lease.)
- iii) Lease term is equal to 75% or more of the remaining estimated useful life of the leased property.*
- iv) Present value of the minimum lease payments is equal to 90% or more of the fair value of the property at the inception of the lease.*

*Criteria iii) and iv) do not apply if the lease term begins in the last 25% of a property's estimated useful life.

To validate whether a lease is a capital lease for accounting purposes, please contact the Auditor-Controller's Capital Asset Unit at capitalassets@ac.ocgov.com .