



AGENDA REPORT

CITY OF SAN CLEMENTE

City Council Meeting

910 Calle Negocio
2nd Floor
San Clemente, California
www.san-clemente.org

Meeting Date: 9/20/2022

Agenda Item: 10C

Department: City Manager

Prepared By: Jonathan Lightfoot, Economic Development Officer

Subject:

EXCLUSIVE NEGOTIATING AGREEMENT (ENA) WITH PACIFIC MEDICAL BUILDINGS (PMB) REGARDING THE PARCEL AT THE SOUTHWEST CORNER OF AVENIDA VISTA HERMOSA AND AVENIDA LA PATA

Fiscal Impact:

None. The ENA (Attachment 1) will establish the terms and timeline for negotiation discussions. The City may see future one time or recurring revenues if there is a disposition of the property. However, any disposition action and resulting fiscal impact would occur through a future public hearing of the City Council.

Summary:

The City of San Clemente owns a vacant 2.29 acre parcel (99,750 SF) of commercial land located at the southwest corner of Ave. Vista Hermosa and Ave. La Pata. This property was declared surplus in 2014. An ENA would allow the Council to engage PMB in direct negotiations over potential terms for sale or lease of the property.

Background:

This property, which is a portion of parcel 678-163-01, was declared surplus in 2014 following a comprehensive review of City-owned parcels. It is a rare development opportunity in South Orange County and presents a source of potential new revenue for the City. The property appraised for \$4.99 million in 2021, and the City received purchase offers that exceeded that value. The City Council previously declined to enter into an ENA with Cypress Express Partners at its January 18, 2022 meeting. That proposal included a mix of commercial uses including a gas station and quick-service restaurant or beverage use. PMB participated in the same public call for proposals but with a proposal focused on a medical office development.

Discussion:

This ENA establishes a term for negotiation to discuss pricing and terms that may be included within a future Development and Disposition Agreement (DDA) or other similar agreement. The ENA specifically states that it is not a guarantee or commitment to any future agreement, and it is not a commitment to transfer property. Separately, environmental review and entitlements would be required consistent with the City's standard development review process. That process would include public meetings regarding proposed architecture and landscaping with the City's Design Review Subcommittee as well as an analysis of operations, traffic, and other issues under the purview of the City's Planning Commission. Both disposition and entitlement decisions would be considered at a future public hearing.

The ENA clarifies that the City will not pursue negotiations with other parties while the agreement is active, a period of three months. This period may be extended by 60 days upon the mutual written agreement of the City Manager and PMB. During the effective period of the agreement, PMB would develop a pro forma and conduct due diligence, such as discussing development standards with City staff.

While the City completed the Surplus Land Act (SLA) requirements in effect during 2014-2015, the SLA procedures have been subsequently amended. The ENA provides a caveat that the agreement will terminate if the City receives notification from the State of California's Department of Housing and Community Development (HCD) that the City must comply with the more current SLA procedures, including publishing notice of availability and conducting good faith negotiations with affordable housing developers that respond to that notice. The City will seek a written determination from HCD.

Plan and Policy Consistency:

The action is consistent with the following General Plan Goals and Policies:

- Public Services, Facilities, and Utilities Element | Human Services Goal: Continue to be a community with a strong network of public, private, and non-profit human service providers that meet the basic health, safety, and welfare needs of all San Clemente residents.
- Policy PSFU-4.04. Monitoring Local Needs. We monitor local needs and report to local service providers to encourage development of programs and facilities that meet the needs of San Clemente residents.
- Land Use Element | Commercial Land Uses Goal: Achieve and maintain a healthy employment base with diverse retail, office, and service uses that: 1) meet citizens' needs; 2) help generate municipal revenues that improve quality of life; 3) are compatible with adjacent residential neighborhoods; and 4) support the goals and policies of the Economic Development Element.
- Policy LU-2.01. Quality. We require that new development protect community character by providing architecture, landscaping and urban design of equal or greater quality than surrounding development, and by respecting the architectural character and scale of adjacent buildings.

In addition, the action is consistent with the 3-2-1 Pension Funding Strategy referenced in the 2022 Long Term Financial Plan, which seeks to reduce the City's Pension obligations by applying proceeds from disposition of City-owned surplus property.

Council Strategy:

The action is consistent with Council Strategy 1 - Ensure financial stability as demonstrated by low debt, high ratings, and new revenue generation - in that it furthers the City's opportunity of receiving one time or recurring revenues through the disposition of surplus property.

Recommended Actions:

Staff Recommendation

Staff recommends that the City Council authorize the Interim City Manager to execute an Exclusive Negotiating Agreement with PMB, LLC.

Attachment:

1. Exclusive Negotiating Agreement

Notification:
PMB, LLC

EXCLUSIVE NEGOTIATION AGREEMENT
(City Parcel at SW corner of Avenida La Pata and Avenida Vista Hermosa)

THIS EXCLUSIVE NEGOTIATION AGREEMENT (La Pata Parcel), is dated as of September ____, 2022, for reference purposes only (this “**Agreement**”), and is entered into by and between the City of San Clemente, a public body, corporate and politic (“**City**”), and PMB LLC, a California limited liability company (“**PMB**”), to provide a specified period of time to attempt to negotiate a Purchase and Sale Agreement (as defined in Recital D below) between the Parties. City and PMB are sometimes referred to in this Agreement, individually, as a “**Party**” and, collectively, as the “**Parties**.” This Agreement is entered into by the Parties with reference to the following recited facts (each, a “**Recital**”):

RECITALS

A. The City owns certain real property located in the City of San Clemente, California, as more specifically described in Exhibit A attached to this Agreement (“**City Parcel**”); and

B. The City desires to work with PMB to evaluate and explore the terms under which PMB could acquire and develop the City Parcel in connection with Hoag Memorial Hospital Presbyterian (“**Hoag**”) with a medical facility consistent with the appropriate general plan and zoning designation or consistent with proposed amendments to the zoning or General Plan designations (the “**Project**”).

C. PMB desires to explore with the City the possibility of acquiring the City Parcel for purposes of developing the Project.

D. The intent of both City and PMB in entering into this Agreement is to establish a specific, limited period of time for PMB to exclusively negotiate with City regarding an agreement for acquisition, disposition, and development, subject to mutually agreeable terms, conditions, covenants, restrictions and agreements to be negotiated and documented in the future, in the respective sole and absolute discretion of PMB and City (this future agreement is referred to in this Agreement as a “**Purchase and Sale Agreement**”).

E. In 2014, the City Council previously declared the City Parcel surplus, but the City is uncertain about whether that process exempts negotiations over or the sale of the City Parcel from the Surplus Land Act as codified in Assembly Bill (AB) 1486 (Statutes of 2019, Chapter 664) and AB 1255 (Statutes of 2019, Chapter 661) (Government Code, Title 5, Division 2, Part 1, Chapter 5, Article 8.)

F. During the term of this Agreement, the Parties will consult with the California Department of Housing and Community Development (“**HCD**”) to determine whether (1) the 2014 pre-SLA surplus property process now exempts the terms of a Purchase and Sale Agreement from the SLA or (2) whether the SLA’s surplus property procedures, including notice of availability and non-exclusive good faith negotiations with would-be affordable housing developers, must be satisfied before the Parties continue in their Purchase and Sale Agreement negotiations (“**post-SLA**”).

NOW, THEREFORE, in consideration of the mutual covenants, restrictions and conditions contained in this Agreement, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

TERMS

1. **Incorporation of Recitals.** The Recitals of fact set forth above are true and correct and are incorporated into this Agreement, in their entirety, by this reference.

2. **Term of Agreement.**

(a) **Effective Date.** The rights and duties of City and PMB established by this Agreement shall commence on September 21, 2022 and shall continue in effect until December 20, 2022 or upon the City's receipt of notice from HCD that the Parties' negotiations or consummation of a Purchase and Sale Agreement are subject to post-SLA procedures, whichever is earlier ("**Negotiation Period**"), subject to the provisions of Section 2(b).

(b) **Extension of Negotiation Period.** The Negotiation Period may be extended once for an additional period of sixty (60) days upon the mutual written agreement of City's city manager or his or her designee and PMB, provided that PMB submits a written request for said extension no later than thirty (30) calendar days prior to the expiration of the Negotiation Period. If the Negotiation Period is extended pursuant to this Section 2(b), City's city manager may also modify the deadlines for any remaining actions to be taken by either City or PMB, within such extended Negotiation Period.

(c) **Expiration or Termination.** Notwithstanding any other term, condition, covenant, restriction or agreement contained in this Agreement, this Agreement shall automatically expire and be of no further force or effect on the earlier to occur of any of the following: (i) the expiration or earlier termination of the Negotiation Period; (ii) entry into a separate Purchase and Sale Agreement by both City and PMB, in their respective sole and absolute discretion; or (iii) the determination by the State of California that this Agreement is not an enforceable or recognized obligation of the City under the SLA or any other provision of law.

3. **Obligations of PMB.** During the Negotiation Period, PMB and the City shall proceed diligently and in good faith to:

(a) Receive confirmation from HCD that sale of the City Parcel is not subject to further SLA requirements.

(b) Discuss and consider the terms for acquisition of the City Property for the Project.

(c) Discuss and consider conceptual development for the Project describing the Project location and the location and orientation of proposed buildings and additional land use entitlements that the Project may require.

(d) Prepare and consider a financial pro forma for the Project including funds and financing necessary for acquisition of land and improvements for the Project and to include

considerations of potential tenant limitations that may provide space for local or small business tenants in the Project.

(e) Prepare a proposed time schedule for commencement and completion of the Project.

4. **Negotiation of Purchase and Sale Agreement.** During the Negotiation Period, PMB shall proceed diligently and in good faith to develop and submit to City all of the documents and information relating to Section 3(b) through (e), above, and both City and PMB shall proceed diligently and in good faith to negotiate and document the potential terms, conditions, covenants, restrictions and agreements of a Purchase and Sale Agreement between them. City and PMB shall generally cooperate with each other and supply such documents and information as may be reasonably requested by the other to facilitate the conduct of the negotiations. Both City and PMB shall exercise reasonable efforts to complete discussions relating to the terms, conditions, covenants, restrictions or agreements of a Purchase and Sale Agreement as may be mutually acceptable to both City and PMB, in their respective sole and absolute discretion. The exact terms and conditions of a Purchase and Sale Agreement, if any, shall be determined during the course of these negotiations. Nothing in this Agreement is intended nor shall be interpreted or construed to be a representation or agreement by either City or PMB that a mutually acceptable Purchase and Sale Agreement will be produced from negotiations under this Agreement. Nothing in this Agreement shall impose any obligation on either Party to agree to a definitive Purchase and Sale Agreement in the future. Nothing in this Agreement is intended or shall be interpreted or construed to be an agreement by the City to contribute City Funds to the Project.

5. **No Guarantee of Future Agreement.** Nothing in this Agreement shall be interpreted or construed to be a guaranty, warranty or representation that any proposed Purchase and Sale Agreement that may be negotiated by City representatives and PMB will be subsequently approved by the City Council. PMB acknowledges and agrees that the City Council's consideration of any future Purchase and Sale Agreement is subject to the independent and reserved sole and absolute discretion of the City Council and any and all legally required public hearings, public meetings, notices, factual findings and other determination or activities required by law.

6. **No City Commitment to Transfer Property.** Nothing in this Agreement is intended to be an express or implied commitment by City to provide financing and/or City Funds, provide City staff time or other resources or take any other action regarding the transfer of any property or financial resources for the Project or otherwise.

7. **Restrictions Against Change in Ownership, Management and Control of PMB and Assignment of Agreement.**

(a) City Reliance on PMB Qualifications. The qualifications and identity of PMB and PMB's principals are of particular concern to City. PMB's qualifications and identity are the reason that City has entered into this Agreement with PMB. During the Negotiation Period, no voluntary or involuntary successor-in-interest of PMB shall acquire any rights or powers under this Agreement, except as expressly provided in Section 7(c).

(b) Notice to City of Organizational Changes. PMB shall promptly notify City in writing of any and all changes whatsoever in the identity of the business entities or individuals either comprising or in Control (as defined in Section 7(d)) of PMB, as well as any and all changes in the interest or the degree of Control of PMB by any such person, of which PMB or any of PMB's shareholders, partners, members, directors, managers or officers are notified or may otherwise have knowledge or information. Upon the occurrence of any significant or material change (more than 10%), whether voluntary or involuntary, in ownership, management or Control of PMB (other than such changes occasioned by the death or incapacity of any individual) that has not been approved by City, prior to the time of such change, City shall have the right, in City's sole and absolute discretion, to terminate this Agreement, without liability to PMB or any other person, by sending written notice of termination to PMB, referencing this Section 7(b).

(c) PMB Assignment. PMB may only assign PMB's rights under this Agreement to an Affiliate (as defined in Section 7(d)), subject to all of the following conditions: (1) such Affiliate expressly assumes all of the obligations of PMB under this Agreement in a written assumption agreement reasonably satisfactory to City; and (2) PMB, shall, at all times, Control any such Affiliate. Notwithstanding any assignment of this Agreement, PMB shall, at all times, be responsible and obligated directly to City for performance of PMB's obligations under this Agreement.

(d) Definitions of "Affiliate" and "Control." For the purposes of this Agreement, the term "**Affiliate**" means any person, directly or indirectly, Controlling or Controlled by or under common Control with PMB, whether by direct or indirect ownership of equity interests, by contract, or otherwise. For the purposes of this agreement, "**Control**" means possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether by ownership of equity interests, by contract, or otherwise.

8. **City Not To Negotiate With Others.** During the Negotiation Period, the City Council and City staff shall not negotiate with any other person regarding the disposition of the City Property. The term "**negotiate**," as used in this Agreement, means and refers to engaging in any discussions with a person other than PMB, regardless of how initiated, with respect to that person's development or acquisition of the City Property to the total or partial exclusion of PMB from developing the City Property, without PMB's written consent, subject to the other provisions of this Section 8. Notwithstanding the preceding provisions of this Section 8, City shall have the right to receive and retain unsolicited offers regarding development of the Property from persons other than PMB, but shall not negotiate with the proponent of any such offer during the Negotiation Period. Nothing in this Agreement shall prevent or prohibit City from discussing or disclosing the fact that City is a Party to this Agreement. Notwithstanding any other provision of this Section 8 or this Agreement, implementation of City's development plans, City Properties, and/or use of available funding shall be and remain in the sole and exclusive purview and discretion of City. Nothing in this Agreement shall limit, prevent, restrict or inhibit City from providing any information in City's possession or control that would customarily be furnished to persons requesting information from City concerning City's activities, goals or matters of a similar nature as required by law to be disclosed, upon request or otherwise. If City, in its reasonable discretion, determines that the Parties are unlikely to arrive at mutually satisfactory terms, conditions, covenant, restrictions and agreements by the expiration of this Agreement, the City may, but shall not be obligated to, enter into negotiations with alternative

bidders or go out to bid again for the Subject Property with the option of modifying any terms or conditions for the bidding instructions. The submittal date for any recirculated Request for Bids shall not be during the Term of this Agreement. Additionally, the Request for Bids shall not reveal any confidential information received by City as a result of this Agreement.

9. Acknowledgments and Reservations.

(a) No Project Commitment. City and PMB agree that, if this Agreement expires or is terminated for any reason, or a Purchase and Sale Agreement is not approved and signed by both City and PMB, for any reason, neither City nor PMB shall be under any obligation, nor have any liability to each other or any other person regarding City Parcel or development thereon.

(b) No City Offer or Acceptance. PMB acknowledges and agrees that no provision of this Agreement shall be deemed to be an offer by City, nor an acceptance by City of any offer or proposal from PMB, for City to convey or receive any estate or interest in the City Parcel.

(c) No Conveyance. PMB acknowledges and agrees that PMB has not acquired, nor will acquire, by virtue of the terms of this Agreement, any legal or equitable interest in any real or personal property from City.

(d) Development Standards. Certain development standards and design controls for the Project may be established between PMB and City, but City and PMB understand and agree that the Project and the development of the Property must conform to all City of San Clemente and other applicable governmental development, land use and architectural regulations and standards. Drawings, plans and specifications for the Project shall be subject to the approval of the City of San Clemente, through the standard development application and design review processes for similar projects. Nothing in this Agreement shall be considered approval of any plans or specifications for the Project or of the Project itself by City or by state or federal licensing or regulatory agencies. The Parties enter into this Agreement further acknowledging and intending that a complete and definitive Purchase and Sale Agreement may not be entered into between them, if at all, prior to review of the Project in accordance with CEQA.

(e) No City Approval. Nothing in this Agreement, nor any comments provided by City staff, nor any failure of City staff to provide comments to any submittal under or pursuant to this Agreement shall: (i) modify or replace any land use entitlement process of City applicable to the Project; (ii) limit the police power land use jurisdiction of City relative to the Project; (iii) constitute an approval of all or any portion of the Project by the City pursuant to the police power land use jurisdiction of City; or (iv) constitute any approval of all or any portion of a Purchase and Sale Agreement with PMB by City.

(f) City Due Diligence. City reserves the right to reasonably obtain further information, data and commitments to ascertain the ability and capacity of PMB to purchase, develop or operate the Property or the Project. PMB acknowledges that PMB may be requested to make certain financial disclosures to City, City staff, City's legal counsel or other City retained consultants, as part of the financial due diligence investigations of City relating to the potential

sale and development of the City Property by PMB and that any such disclosures may become public records. City shall maintain the confidentiality of financial information of PMB to the extent allowed by law, as determined by the City's legal counsel.

(g) Required City Approval. PMB expressly acknowledges and agrees that City will not be bound by any statement, promise or representation made by City staff or representatives during the course of negotiations of a Purchase and Sale Agreement and that City shall only be legally bound upon the approval of a complete Purchase and Sale Agreement in the future by the City governing board, in its sole and absolute discretion, in accordance with law.

(h) No Intent to be Bound. Further efforts by either Party to perform due diligence, arrange or obtain financing or carry out other acts in contemplation of the possible acquisition of the City Parcel shall not be deemed evidence of intent by either Party to be bound by any terms, conditions, covenants, restrictions or agreements relating to acquisition or development of the Property.

10. **Default; Breach; Remedy.**

(a) Default. Failure or delay by either Party to perform any material term, provision, obligation or agreement or observe any restriction, condition or covenant set forth in this Agreement shall constitute a "**Default**" under this Agreement. If the Party that is claimed to be in Default by the other Party cures, corrects or remedies the alleged Default within fifteen (15) calendar days after receipt of written notice from the other Party specifying such Default, such Party shall not be in Default under this Agreement. The notice and cure period provided in the immediately preceding sentence shall not, under any circumstances, extend the Negotiation Period. If notice of an alleged Default is given with fifteen (15) or fewer calendar days remaining in the Negotiation Period, this Agreement shall automatically terminate on the date of such notice, without further notice to or action by either Party, and the Party alleged to have been in Default shall be deemed to have cured such Default on the termination of this Agreement. The Party claiming that a Default has occurred shall give written notice of Default to the Party claimed to be in Default, specifying the alleged Default. Delay in giving such notice shall not constitute a waiver of any Default nor shall it change the time of Default. However, the injured Party shall have no right to exercise any remedy for a Default under this Agreement, without first delivering written notice of the Default.

(b) Breach; Termination. If a Default of either Party remains uncured for more than fifteen (15) calendar days following such Party's receipt of written notice of such Default, a "**Breach**" of this Agreement by the Defaulting Party shall have occurred, except as otherwise provided in Section 10(a) during the last fifteen (15) calendar days of the Negotiation Period. In the event of a Breach of this Agreement, the sole and exclusive remedy of the Party who is not in Breach shall be to terminate this Agreement by serving written notice of termination on the Party in Breach.

(c) No Waiver. Any failure or delay by a Party in asserting any of such Party's rights or remedies as to any Default or Breach shall not operate as a waiver of any Default or Breach or of any rights or remedies associated with a Default or Breach.

11. **Compliance with Law.** PMB acknowledges that any Purchase and Sale Agreement, if approved by the City Council, will require PMB (among other things) to carry out the development of the Project in conformity with all applicable laws, including all applicable building, planning and zoning laws, environmental laws, safety laws and labor and wage laws.

12. **Notice.** All notices required under this Agreement may be provided by email but, if provided by email shall also be presented in person, by nationally recognized overnight (one business day) delivery service (i.e., Federal Express, United Parcel Service, etc.) or by first class United States mail, with postage prepaid, to the address for the Party set forth in this Section 12. Notice shall be deemed received by United States Postal Service delivery as of the third (3rd) business day after deposit with the United States Postal Service, addressed as required by this Section 12. Notice by personal service shall be effective on delivery. Notice by nationally recognized overnight delivery service shall be effective upon the earlier of: (a) delivery; or (b) the date of the second attempt to deliver such notice, as set forth in the written records of the delivery service. Either Party may change its address for receipt of notices by notifying the other Party in writing. Rejection, other refusal to accept or the inability to deliver a notice because of a changed address of which no notice was given or other action by the Party to whom the notice is transmitted, shall be deemed receipt of the notice. An attorney representing a Party may give notice on behalf of such Party.

To PMB: PMB LLC
3394 Carmel Mountain Road
Suite 200
San Diego, CA 92121
Attention: Jake Rohe

To City: City of San Clemente
ATTN: City Manager
910 Calle Negocio
San Clemente, CA 92673

13. **Warranty Against Payment of Consideration for Agreement.** PMB represents and warrants that: (a) PMB has not employed or retained any person to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees of PMB and third persons to whom fees are paid for professional services related to planning, design or construction of the Project or documentation of this Agreement; and (b) no gratuities, in the form of entertainment, gifts or otherwise have been or will be given by PMB or any of PMB's agents, employees or representatives to any elected or appointed official or employee of City in an attempt to secure this Agreement or favorable terms or conditions for this Agreement. Breach of the representations or warranties of this Section 13 shall entitle City to terminate this Agreement on two (2) days' notice to PMB.

14. **Counterpart Originals.** This Agreement may be signed by City and PMB in multiple counterpart originals, each of which shall constitute an original and all of which together shall constitute a single agreement.

15. **No Third-Party Beneficiaries.** Nothing in this Agreement is intended to benefit any person other than the City or PMB.

16. **Governing Law.** City and PMB acknowledge and agree that this Agreement was negotiated, entered into and is to be fully performed in the City of San Clemente, California. City and PMB agree that this Agreement shall be governed by, interpreted under, and construed and enforced in accordance with the substantive and procedural laws of the State of California, without application of conflicts or choice of laws principles.

17. **Waivers.** No waiver of any Breach or Default of any term or condition contained in this Agreement shall be deemed a waiver of any preceding or succeeding Breach or Default of such term or condition, or of any other term or condition contained in this Agreement. No extension of the time for performance of any obligation or act, no waiver of any term or condition of this Agreement, nor any modification of this Agreement shall be enforceable against City or PMB, unless made in writing and signed by the Party against whom such extension, waiver or modification is sought to be enforced.

[Signatures on the following page]

**SIGNATURE PAGE
TO
EXCLUSIVE NEGOTIATION AGREEMENT
(City Parcel at SW corner of Avenida La Pata and Avenida Vista Hermosa)**

IN WITNESS WHEREOF, City and PMB have signed and entered into this Exclusive Negotiation Agreement by and through the signatures of their authorized representative(s) set forth below:

<p>City:</p> <p>CITY OF SAN CLEMENTE, a public body, corporate and politic</p> <p>By: _____ Interim City Manager</p> <p>ATTEST:</p> <p>By: _____ City Clerk / Legislative Administrator</p> <p>APPROVED AS TO FORM:</p> <p>Best Best & Krieger LLP</p> <p>By: _____ City Attorney</p>	<p>PMB:</p> <p>PMB LLC, a California limited liability company</p> <p>By: _____</p> <p>Name: _____</p> <p>Its: _____</p>
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**EXHIBIT “A”
TO
EXCLUSIVE NEGOTIATION AGREEMENT
(City Parcel at SW corner of Avenida La Pata and Avenida Vista Hermosa)**

Property Identification

The subject property consists of a ±2.29 acre portion of an 80.73 acre City-owned parcel of land, identified as Assessor’s Parcel Number 678-163-01. The subject property is proposed to be subdivided from the larger parcel and sold. The subject property is zoned Neighborhood Commercial by the City of San Clemente.

Property Legal Description

The subject site, as proposed, would comprise a portion of Township 8 Range 7 Section 21 Portion of Section; and Township 8 Range 7 Section 15, Portion of Section; Township 8 Range 7 Section 16 Portion of Section; and Township 8 Range 7 Section 22 Portion of Section; and Tract Number 11959 Portion of Lots 31, 32,38,39,40 & 50, City of San Clemente, County of Orange, State of California.