



# CITY OF PALM SPRINGS/ COMMUNITY REDEVELOPMENT AGENCY STAFF REPORT

DATE: July 21, 2010

NEW BUSINESS

SUBJECT: APPROVING THE DIRECT PURCHASE OF 119.3 ACRES OF LAND FROM THE BUREAU OF LAND MANAGEMENT; APPROPRIATING \$2,102,000 FROM FUND BALANCE IN MERGED PROJECT AREA #1; AND APPROVING THE PROPERTY TRANSFER DEVELOPMENT AGREEMENT BETWEEN THE CITY OF PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY AND THE DESERT COMMUNITY COLLEGE DISTRICT; AND APPROVING THE INITIAL STUDY NEGATIVE DECLARATION PREPARED IN ACCORDANCE WITH CALIFORNIA ENVIRONMENTAL QUALITY ACT.

FROM: David H. Ready, Executive Director

BY: Community & Economic Development Department

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## SUMMARY

These actions approve the purchase of 119.3 acres of land from the Bureau of Land Management (BLM) for \$2,102,000; and approve the Property Transfer and Development Agreement between the City of Palm Springs/Redevelopment Agency and Desert Community College District for the development of the West Valley College of the Desert Campus.

## RECOMMENDATION:

1. Adopt Resolution No. \_\_\_\_\_, "A RESOLUTION OF THE CITY OF PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY APPROVING THE DIRECT PURCHASE OF 119.3 +/- ACRES OF LAND LOCATED AT THE NORTHWEST CORNER OF TRAMVIEW ROAD AND NORTH INDIAN CANYON DRIVE FROM THE BUREAU OF LAND MANAGEMENT FOR \$2,102,000; AND APPROVING THE PROPERTY TRANSFER AND DEVELOPMENT AGREEMENT BETWEEN THE CITY OF PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY AND THE DESERT COMMUNITY COLLEGE DISTRICT; AND APPROVING THE INITIAL STUDY NEGATIVE DECLARATION IN ACCORDANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

ITEM NO. 516

2. Adopt Resolution No. \_\_\_\_\_, APPROPRIATING \$2,102,000 FROM FUND BALANCE IN MERGED PROJECT AREA #1.

STAFF ANALYSIS:

**College Site Solicitation**

In early 2004 the Community College District Board of Trustees and the City of Palm Springs began discussions about potential sites for a community college campus in the western Coachella Valley region. Those discussions were based on the results of studies undertaken by the District that revealed the regions future population growth would support the expansion of college campuses in the east and west Coachella Valley.

The District reviewed appropriately 13 sites in the western valley before initiating a formal Site Solicitation Request process in 2005. In April 2006 the City of Palm Springs/Redevelopment Agency submitted a proposal to the Desert Community College District to consider a 119.3 acre site for the new College of the Desert West Valley Campus. The proposal received universal endorsement and support from the Palm Springs business community and the public at large, including grade school children who wrote letters of support for the development of the campus in Palm Springs.

On September 21, 2007 the Board of Trustees voted to select the Palm Springs proposal for its new west valley campus site. The Board's decisions were based on a comprehensive analysis and its consideration of key factors included:

- The ability to serve the west Coachella Valley population
- The suitability of the property for a community college campus
- Financial terms and benefits
- The certainty of a successful transaction and entitlement
- Environmental issues
- Access (20-minute drive time)
- Infrastructure – utilities and roads
- Capacity to deliver on commitments

**City of Palm Springs Proposal**

The City of Palm Springs Proposal to the Community College District contained significant financial and administrative support for the west valley college campus development. The commitments outlined in the proposal were adopted by Council Resolution in June 2007, allowing staff to proceed with the initial steps to acquire the 119.3 acre site from the Bureau of Land Management. The City also agreed to undertake the necessary environmental reviews in conformance with the California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA). Terra Nova is the City's consultant performing the work including the College Park Specific Plan and associated environmental documents for the campus master plan.

The essential component to the City's commitment was to acquire the 119.3 acre site (to donate to the College) from the Bureau of Land Management, through the U.S. Department of the Interior - Recreation & Public Purpose Act (R&PP). The R&PP Act authorizes the sale or lease of public lands to local governments for recreation and public purposes. However, since the College can only construct buildings on property which it owns in fee and the need to use bond financing within a certain time period subsequently lead to the discussion of a direct sale approach.

To initiate the R&PP Sale process, staff sent a letter to the Bureau of Land Management (BLM) outlining the City's intention to purchase the site. The following actions were taken to complete the transaction:

- Authorization by the BLM Office of Directorate to contract for an appraisal to establish value;
- Review and approval the appraised value by the Office of the Directorate; Publication of the Notice of Realty Action in the Federal Register;
- Approval and publication of the Environmental Assessment on BLM website;
- Approval of government (cadastral) survey;
- Approval of biological report;
- BLM field office issues the Decision of Record (DOR);
- BLM field office issue No Significant Impact Report (FONSI).

The Bureau of Land Management Regional Office is currently reviewing the Preliminary Title Report to prepare a land patent with recorded and unrecorded easements. The final action is to submit conveyance instructions and upon verification of the funds in escrow, issue the land patent to the City. The City will then proceed with the actions to transfer title to the Community College District.

### **College Campus Vision**

The 119.3 acre site at the northwest corner of Tramview and Indian Canyon Drive will house the multifunctional College of the Desert West Valley Campus that will encompass the following components:

- General purpose classrooms, labs and administrative offices, as well as buildings for student services;
- Buildings that will be integrated with the recreational resources of the existing James O. Jessie Desert Highland Unity Center;
- Feature commercially-operated facilities for training, research and development,
- Potential location for the Coachella Valley iHub and business incubation center for clean technology industries; and
- A Green Park on 60-70 acres of the site that will feature sustainable energy generating systems and facilities for research and development and teaching and learning.

The campus will be designed and constructed in accordance with COD's recently-adopted Policy on Sustainability Stewardship. The College will follow principles and guidelines of integrated sustainability that move beyond "simply living within available resources" to a strategy of designing a holistic operating campus that is compatible with and learns from desert ecology. There is also an emphasis on conservation, efficiency, recovery of waste, adoption and regeneration of ecological systems and functions.

Because the new campus is a blank canvas the College has the opportunity to take an integrated approach to campus planning, facility design and construction, facility operation and campus management. The West Valley Campus plans to deal with sustainability at a building level, a land development scale, and in a community context.

To serve the needs of the west valley region, the College has identified four educational 'pillars' that each present significant opportunities for partnerships with business, industry and other educational institutions. The four pillars are:

- Hospitality & Culinary Arts
- Film, Media & the Arts
- Allied Health
- Green and Clean Technology

City staff is currently organizing meetings with industry leaders and college officials to facilitate the development of the four pillars. Meeting discussions with media and arts and hospitality representatives on July 14 focused on industry curriculum that would produce a trained and certified or degreed workforce. The meetings also help determine facility specifications for the first building phase and future phasing of the campus.

### **Community College District Commitments**

The Community College District has committed \$40 million to develop the first phase of the West Valley campus, which is an increase of eleven million dollars from their original commitment. The District has initiated a Request for Qualifications for the design and build for the first phase. That process should conclude by end of 2010; construction is estimated to start in 2012; and classes could begin by fall 2014. The District anticipates that the first phase of development will include approximately 50,000 square feet of classrooms, administrative offices, and laboratory facilities.

The District also commits to develop and provide the City/Agency with an academic and facilities master plan for the campus site that will accommodate at least 10,000 full time equivalent students (which generally translates to approximately 20,000 full and part time students). Facilities will be described at a programmatic level, and identify the District's public-private partnership opportunities that will be an important means of implementing the master plan and helping the Parties achieve their common objectives for the campus project. The District will work cooperatively with

the City and Agency in the preparation and implementation of the academic and facilities master plan.

The District will make the campus site's facilities available as a "civic center" to the City, other public agencies, community residents, organizations, clubs, and associations for recreational, cultural, and meeting purposes. The District and City/Agency will also explore and implement joint use agreements to ensure specific community access and support for optimal joint-use recreational, athletic, cultural and performing areas, wellness/fitness, parking, and other facilities on the Campus site.

### **Property Development Agreement**

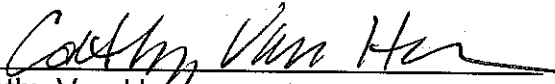
The Property Transfer & Development Agreement ("Agreement") is a three party agreement between the City of Palm Springs, the Redevelopment Agency for the City of Palm Springs, and the Desert Community College District. The City will convey the property to the District at no cost, as originally described in the City's proposal to the District in 2007. The City and the Agency will also allocate 50% of property tax revenues above the current level of property tax revenues that the City and Agency receive from Planning Areas 1, 3, and 5 of the proposed specific plan to the District for forty years. The tax share will begin in the first fiscal year that classes commence on the Campus in permanent facilities developed in accordance with the academic and facilities master plan. This allocation of future property tax increment is in lieu of the myriad of financial commitments that had been generally suggested in the City's original proposal.


### **Environmental Determination**

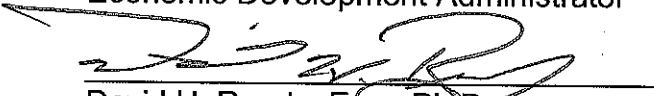
The proposed Property Transfer and Development Agreement is a "Project" under the California Environmental Quality Act (CEQA). As such, CEQA requires that the potential environments impacts associated with the approval and implementation of the agreement be analyzed. To this end, an Initial Study/Negative Declaration (IS/ND) was prepared for this document in accordance with CEQA and the City's rules to implement it. A copy of the IS/ND is included in your packet. The IS/ND provides the level of analysis appropriate for this type of project. The IS/ND also indicates throughout that the College Park Specific Plan and the College's Campus Master Plan are under development, that the preliminary campus master plan is a part of the Specific Plan, and that a comprehensive Environmental Impact Report (EIR) is being prepared on the Specific Plan document. Staff recommends that the City Council adopt the CEQA IS/ND,

FISCAL IMPACT:

There will be no impact to the General Fund. Funds will come from Fund Balance in Merged Area #1.

  
Cathy Van Horn,  
Economic Development Administrator

  
Thomas J. Wilson,  
Assistant City Manager

  
David H. Ready, Esq., Ph.D.,  
Executive Director

Attachments:

Resolutions  
Property Transfer & Development Agreement  
Initial Study/Negative Declaration (IS/ND)

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY OF PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY APPROVING THE DIRECT PURCHASE OF ONE 119.3+- ACRES OF LAND LOCATED AT THE NORTHWEST CORNER OF TRAMVIEW ROAD AND NORTH INDIAN CANYON DRIVE FROM THE BUREAU OF LAND MANAGEMENT FOR \$2,102,000; AND APPROVING THE PROPERTY TRANSFER AND DEVELOPMENT AGREEMENT BETWEEN THE CITY OF PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY AND THE DESERT COMMUNITY COLLEGE DISTRICT; AND APPROVING THE INITIAL STUDY NEGATIVE DECLARATION IN ACCORDANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

WHEREAS, in September 2007 the Desert Community College District selected the City of Palm Springs proposal for the future site of the College of the Desert West Valley campus; and

WHEREAS, the City of Palm Springs Community Redevelopment Agency committed significant financial and administrative support to the College, including the acquisition of the 119.3+- acre site from the United States Bureau of Land Management; and

WHEREAS, the City of Palm Springs Community Redevelopment Agency is currently engaged in the acquisition process with the U.S. Department of the Interior, Bureau of Land Management, to acquire the land for the campus; and

WHEREAS, the City of Palm Springs Community Redevelopment Agency and the Community College District negotiated a Property Transfer and Development Agreement, which commits the City/Agency to convey the property to the District at no cost, and allocate 50% of property tax revenues above the current level of property tax revenues that the City and Agency receive from Planning Areas 1, 3 and 5 of the proposed specific plan to the District for forty years beginning in the first fiscal year that classes commence on the Campus in permanent facilities in accordance with the Academic and Facilities Master Plan; and

WHEREAS, the Property Transfer and Development Agreement is a "project" under the California Environmental Quality Act (CEQA); and

WHEREAS, an Initial Study/Negative Declaration was prepared for the Property Transfer and Development Agreement in accordance with CEQA and the City's rules to

implement it; and

WHEREAS, the City of Palm Springs Community Redevelopment Agency has had an ongoing commitment to the development of this area of the community with the replacement and improvement of infrastructure adjacent to the proposed campus site, as well as the development of housing and commercial projects; and

WHEREAS, the City of Palm Springs has received universal endorsement and support from the business community and the Palm Springs public at large for the development of the College of the Desert West Valley Campus; and

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Palm Springs Community Redevelopment Agency has maintained its support of the commitments made in its proposal to the Community College District to locate the College of the Desert West Valley Campus in Palm Springs and additionally offers the following:

Section 1. The City of Palm Springs Community Redevelopment Agency hereby approves the direct purchase of 119.3+- acres located at the northwest corner of Tramview Road and North Indian Canyon from the United States Bureau of Land Management for \$2,102,000.

Section 2. The City of Palm Springs Community Redevelopment Agency hereby approves the Property Transfer and Development Agreement between the City/Agency and Community College District.

Section 3. The City of Palm Springs Community Redevelopment Agency approves the Initial Study Negative Declaration in accordance with the California Environmental Quality Act.

Section 4. The City of Palm Springs Community Redevelopment Agency authorizes the City Manager/Executive Director or his designee to execute all documents related to these actions.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2006.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
City Clerk



CERTIFICATION:

STATE OF CALIFORNIA )  
COUNTY OF RIVERSIDE )      ss.  
CITY OF PALM SPRINGS )

I, JAMES THOMPSON, City Clerk of the City of Palm springs, hereby certify that Resolution No. \_\_\_\_\_ is a full, true and correct copy, and was duly adopted at a regular meeting of the City Council of the City of Palm Springs on \_\_\_\_\_, 2006, by the following vote:

AYES:  
NOES:  
ABSENT:

\_\_\_\_\_  
James Thompson, City Clerk  
City of Palm Springs, California

**PROPERTY TRANSFER AND DEVELOPMENT AGREEMENT FOR  
WEST VALLEY CAMPUS OF COLLEGE OF THE DESERT PROJECT**

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**THIS PROPERTY TRANSFER AND DEVELOPMENT AGREEMENT FOR WEST VALLEY CAMPUS OF COLLEGE OF THE DESERT PROJECT** (this "Agreement"), dated \_\_\_\_\_, 2010 for convenience, is made between and among THE CITY OF PALM SPRINGS, a California Municipal Corporation (the "City"), THE PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY, a California Community Redevelopment Agency ("CRA"), and DESERT COMMUNITY COLLEGE DISTRICT, a California Community College District (the "District").

**RECITALS**

**A.** The City and CRA are in the process of purchasing approximately 119.4 acres of undeveloped real property located at the northwest corner of Indian Canyon Drive and Tramview Drive, Palm Springs, from the United States Bureau of Land Management ("BLM").

**B.** Upon completion of said purchase and in accordance with this Agreement, the City and CRA intend to transfer ownership of the approximately 119.4 acres of said real property depicted on the attached *Exhibit "A,"* and with a legal description as shown on the attached *Exhibit "B"* (the "Campus Site"), to the District for development of the District's West Valley Campus ("Project").

**C.** The District will spend hundreds of millions of dollars to construct and implement the Project, making the Project the one of the largest economic development projects ever undertaken in the City. The City recognizes and appreciates that the District selected Palm Springs over other communities as the site for the Project and that the District's selection was based, in part, on the City's support and cooperation in the successful implementation of this unique Project. The Project is of vital importance to the economic future of the community and it will make the District one of the City's largest employers.

**D.** The Parties wish to encourage establishment of the Project in order to achieve the following common goals:

- Encourage and support traditional higher education opportunities;
- Provide workforce training in areas critical to the local economy and local industries, focusing on what have been called the "four pillars," i.e.,
  - Hospitality and culinary arts;
  - Film and media arts;
  - Allied health; and
  - Green and clean technology;
- Create a world-class center that promotes and supports sustainable energy and building practices through workforce training, research and development, and incubation of clean and green businesses and enterprises;
- Support development and implementation of renewable energy technologies, and encourage location of renewable energy companies in Palm Springs;
- Support other economic development and cultural activities; and

- Provide new facilities and amenities that will be available to the community for cultural and performing arts, education, recreation, and other joint and compatible uses, in conjunction with the City, CRA, and greater Palm Springs community.

E. Recognizing the limited amount of public funding that may be available for the development and ongoing growth of the college, the City, CRA, and District agree that it is appropriate for the District to seek partnerships with public and private entities as an important means of implementing a campus master plan and achieving the common objectives of the City, CRA, and District for the Project.

F. In addition to providing for the transfer of title to the Campus Site from the City and CRA to the District, the Parties intend that this Agreement accomplish the following:

- Formalize CRA's and City's financial commitments to District with respect to the Project;
- Establish necessary parameters for City/District joint uses of the Campus Site;
- Establish parameters for campus-related uses in accordance with the center's facilities master plan, and to affirm the District's authority to implement the plan without further City or CRA approvals;
- Affirm the District's commitments to the Palm Springs campus, sustainable energy park, and support of and collaboration with leading industries in Palm Springs and the region; and
- Establish internal division of the Campus Site into multiple legal parcels to facilitate District and partnership uses.

## AGREEMENT

**NOW, THEREFORE, the Parties agree as follows:**

### ARTICLE I EFFECTIVE DATE

This Agreement shall be effective on the date (the "Effective Date") when a fully executed copy of this Agreement is deposited with "Escrow Holder" (as hereafter defined). Escrow Holder is hereby instructed to immediately notify each Party to this Agreement of the Effective Date.

### ARTICLE II TRANSFER OF UNIMPROVED PROPERTY

Subject to the terms, conditions and provisions contained in this Agreement, the City and CRA hereby agree to transfer to the District without cost, and the District hereby agrees to accept from the City and CRA without cost, all of the City's and CRA's right, title and interest in the Campus Site in its unimproved condition and all rights, privileges and easements appurtenant thereto.

### ARTICLE III CONDITIONS AND COVENANTS

3.1 District's Conditions Precedent. The District's obligation to accept the transfer of the Campus Site under this Agreement is subject to satisfaction, or the District's written waiver, of the conditions precedent set forth in subsections 3.2 through 3.6 below (collectively, the "District's Conditions"), on or before the expiration of the applicable time periods provided for below. Unless the District timely notifies City, CRA, and Escrow Holder in writing on or before the expiration of an applicable time period that the applicable District's Condition has not been satisfied, then such District's Condition will be deemed to have been satisfied, approved, or waived by the District. If, however, the District timely notifies City, CRA, and Escrow Holder in writing that the applicable District's Condition has not been satisfied, approved, or waived, then at any Party's option this Agreement and the Escrow will be deemed terminated and the District, CRA, and City will not have any further obligations to the other Parties under this Agreement (except for the Surviving Obligations). If any Party terminates Escrow in accordance with the preceding sentence, Escrow Holder shall, without requiring any further instructions, promptly return any documents to the Party that deposited same. For the purposes of this Agreement, "Surviving Obligations" are those specifically delineated agreements, duties, and obligations of one or more of the Parties to this Agreement that are expressly stated to survive the termination of this Agreement.

3.2 The District's Due Diligence Investigation. The District has an Investigation Period of up to 30 days (the "Investigation Period") within which to further investigate and research and approve or disapprove, in the District's sole and absolute discretion, the physical, developmental, legal, and economic status and feasibility of the Campus Site for the Project. The Investigation Period begins on the date the District receives written permission to enter the Campus Site and undertake such inspections, reviews, examinations, and tests on the Campus Site as the District deems necessary or desirable to investigate the physical condition of the Campus Site (collectively, "Tests and Inspections").

To facilitate the District's investigation and analysis under this section, City and CRA agree to (a) deliver to the District, without charge, copies of all material documents in their possession relating to the physical condition of the Campus Site, including all soils reports, surveys, geo-technical reports, and the like (collectively the "Data"), if any; and (b) arrange for the District to be given written permission, at the sole risk and cost of the District, to enter the Campus Site during the Investigation Period, on not less than 2 business days prior notice and during normal business hours, to conduct such Tests and Inspections. City and CRA make no representation or warranty regarding the accuracy or completeness of the Data and the District shall make its own analysis thereof. District shall deliver to City and CRA, without charge therefor, the results and copies of all Tests and Inspections no later than 5 business days following District's receipt of the same.

The District shall save and hold the City and CRA free and harmless from all claims, damages, actions and liability (including attorney's fees and costs) arising from the conduct of District or District's Representatives in conducting the Tests and Inspections authorized under this section, and shall keep the Campus Site free and clear of any and all liens related to the activities of District and District's agents, employees consultants, contractors and representatives (collectively, "District's Representatives"); provided, however, this paragraph

does not apply to any damage or liability the City and CRA may suffer as a consequence of the presence or discovery of Hazardous Materials (as defined below) pre-existing on the Campus Site and in violation of environmental laws (as defined below).

The activities of District and District's Representatives entering the Campus Site in connection with such Tests and Inspections shall also be subject to the following:

(a) The persons or entities performing work shall have obtained all required licenses and permits for performing the relevant work on the Campus Site prior to performing any such work on the Campus Site. All work done by or on behalf of District shall be conducted in compliance with all applicable laws and regulations, including laws and regulations relating to worker safety.

(b) City and CRA shall have the right, at their sole cost and expense, to have one (1) or more of their representatives accompany District and District's Representatives while they are on the Campus Site.

(c) District's obligations under this section 3.2 shall survive the Closing or termination of this Agreement.

3.3 District's Election to Terminate. If on or before expiration of the Investigation Period the District delivers to City and CRA the District's written election to terminate this Agreement for any reason, then Escrow Holder shall return all deposited documents to the respective Party that deposited them and the District will pay any escrow cancellation fee (which obligation shall survive the termination of this Agreement). This Agreement and the Escrow then will be deemed terminated, and the District, CRA, and City will not have any further obligations to the other Parties under this Agreement (except for the Surviving Obligations). Otherwise, the District will be deemed to have approved the Campus Site for its Campus Project and shall proceed with its acquisition in accordance with this Agreement.

3.4 Status of Title. Concurrently with the Effective Date, at District's cost the City and CRA shall provide the District with a preliminary report issued by First American Title Company (the "Title Company") as to the title condition of the Campus Site, along with copies of all underlying title exception documents reported in the preliminary report and a copy of any recorded map which discloses the existence of any easements reported in the preliminary report (collectively, the "Title Report"). If District desires an ALTA survey of the Campus Site, it shall obtain one at its sole cost within the Title Review Deadline described below. The District has 30 days from its receipt of the Title Report (the "Title Review Deadline") to approve or disapprove the status of title to the Campus Site. If before the Title Review Deadline the District disapproves of any of the exceptions to title shown in the Title Report or any land survey ("Disapproved Title Exceptions") it shall give written notice thereof to the City and CRA. Within 2 weeks from receipt of said notice the City and CRA shall, in their sole and absolute, agree to cause the Disapproved Title Exceptions to be removed from the Title Policy at the Closing, or notify the District that they have elected not to cause said Disapproved Title Exceptions to be removed. If no such notice is sent by the City and CRA, it shall be deemed their election to remove said Disapproved Title Exceptions. By written notice to Escrow Holder, City, and CRA within 1 week after the District's receipt of City's and CRA's notice described in this paragraph above, the District shall, in its sole and absolute discretion, elect to accept title including any

Disapproved Title Exceptions or terminate this Agreement in which case City and CRA shall pay the Escrow Holder's costs for termination of the Agreement and escrow. Failure of the District to timely respond within said 1-week period shall be deemed the District's election to accept title subject to said Disapproved Title Exceptions.

3.5 Title Policy. On the Closing, Title Company must be prepared to issue to District the Title Policy. City and CRA shall not suffer any liability in connection with its failure to remove any title exception; the District's sole remedy for City's and CRA's failure to cause the elimination of a Disapproved Title Exception is termination of this Agreement (and City's and CRA's payment of the Escrow Holder's costs for termination of the Agreement and cancellation of the escrow).

3.6 CEQA Compliance. The Parties agree that compliance with the California Environmental Quality Act ("CEQA") with respect to the transfer and development of the Campus Site, the Project, and related matters, must be achieved as specified in Article VII below.

#### ARTICLE IV ESCROW AND CLOSING

4.1 Deposits with Escrow Holder and Escrow Instructions. Escrow herein (the "Escrow") shall be established with the Palm Springs office of Title Company ("Escrow Holder"). Upon execution of this Agreement, the Parties shall deposit an executed copy of this Agreement with Escrow Holder. This Agreement shall serve as the instructions to Escrow Holder to consummate the conveyance contemplated hereunder. The Parties agree to execute such additional and supplementary escrow instructions as may be appropriate to enable Escrow Holder to comply with the terms of this Agreement. If there is any conflict between the provisions of this Agreement and any such supplementary escrow instructions, however, the terms of this Agreement shall control.

4.2 Closing Date. Unless otherwise agreed by the Parties, the closing hereunder (the "Closing") shall occur on or before fourteen (14) days after the City and CRA receive title to the Campus Site from BLM (the "Closing Date").

4.3 Deliveries by City and CRA. On or before 1 business day prior to the contemplated Closing Date, City and CRA shall deposit with Escrow Holder the following:

- (a) A Grant Deed (the "Grant Deed") in a form and substance acceptable to Escrow Holder and District, duly executed by City and CRA, and acknowledged; and
- (b) Any cash, documents, or instruments called for hereunder to be paid, executed, or delivered by City and CRA that have not previously been delivered to Escrow Holder.

4.4 Deliveries by the District. On or before 1 business day prior to the Closing Date, the District shall deposit with Escrow Holder the following:

- (a) Immediately available funds sufficient to pay the District's portion of the

closing costs and prorations and any other amounts payable by the District in order to permit Escrow Holder to close the Escrow;

(b) A Certificate of Acceptance of the Grant Deed substantially in the form attached hereto as *Exhibit "C,"* duly executed by District and acknowledged; and

(c) Any other cash, documents, or instruments called for hereunder to be executed or delivered by the District that have not been previously delivered to Escrow Holder;

4.5 Other Instruments. The Parties shall each deposit any other documents or instruments that may be reasonably required by any Party and/or Escrow Holder, or that are otherwise required to close the Escrow and consummate the transfer of the Campus Site in accordance with the terms hereof.

4.6 Prorations and Apportionments. The Parties assume that the Campus Site has been and, as of the Closing, will be exempt from all real property taxes and assessments. However, if that is not the case, then the District will be responsible to pay all delinquent real property taxes and assessments, which must be prorated as of the Closing, on the basis of the actual number of days during the month in which such Closing occurs, based on the most recent official tax bills or notice of valuation available to the general public for the fiscal year in which the Closing occurs. The Parties acknowledge that because the District is a public agency, such taxes and assessments will terminate on the Closing and therefore such taxes and assessments, to the extent allocable to the period following the Closing, will not be chargeable to or collected from the District at Closing.

4.7 Escrow and Closing Costs and Expenses. The District will pay all escrow fees, standard Closing costs and expenses, and any non-standard Closing costs and expenses attributable to governmental agencies, including the cost of an ALTA or CLTA Owner's policy of title insurance. City and CRA will provide District and Title Company, without charge, with a copy of any existing survey in the possession of the City and CRA if so requested, while District will pay the additional cost of an ALTA survey of the Campus Site if one is needed.

4.8 Close of Escrow. Provided that (a) Escrow Holder has received the documents and funds described in Sections 4.3, 4.4 and 4.5 above, (b) Escrow Holder has received written notices from City, CRA, and District that all conditions precedent to the Closing have occurred or have been waived by the applicable Party as conditions precedent, and (c) Escrow Holder has not received written notice, from any Party, to the effect that a covenant of another Party has not been performed, then Escrow Holder is authorized and instructed to cause the Grant Deed to be recorded in the office of the County Recorder of the County of Riverside, California.

On the Closing Date, Escrow Holder shall promptly perform all of the following: (a) cause the Grant Deed to be recorded in the Official Records; (b) pay the costs and apply the prorations applicable to the Campus Site in accordance with this Agreement; and (c) cause the Title Company to issue the District a CLTA Owner's policy of title insurance insuring the District, in the amount of appraised value of the Campus Site, or if the Campus Site has not been appraised as of the Closing, then in the amount of the estimated value of the Campus Site as reasonably determined by City and CRA, which in no event shall be less than \$2,000,000 (the "Title Policy"), subject only to: (i) standard pre-printed exceptions, (ii) those exceptions to title

described in the Title Report other than the Disapproved Title Exceptions and any mortgages, trust deeds, and mechanic's liens not caused by District or District's Representatives, (iii) any exceptions that would be revealed by a survey or inspection of the Campus Site, and (iv) those exceptions permitted or caused by the District or District's Representatives. The District may request an ALTA Owner's policy and/or any title insurance endorsements or extended coverage from the Title Company so long as the District provides Title Company, at the District's sole cost, with all information and instruments necessary to issue such policy and/or endorsements and extended coverage, including an ALTA survey of the Campus Site if one is not provided by the City and CRA, so long as the Closing is not conditioned or delayed by such request, and so long as the District pays the additional costs of such ALTA policy, endorsements and extended coverage, and an ALTA survey of the Campus Site if one is needed.

#### 4.9 Notification; Closing Documents.

(a) If Escrow Holder cannot comply with the instructions herein (or as may be provided by the Parties later), then Escrow Holder is not authorized to cause the recording of the Grant Deed. If Escrow Holder is unable to cause the recording, Escrow Holder shall so notify the Parties without delay.

(b) Immediately after the Closing, Escrow Holder shall deliver to each Party all instruments and documents to which they are entitled.

### ARTICLE V REPRESENTATIONS AND WARRANTIES

5.1 The District's Representations and Warranties. The District hereby represents and warrants to City and CRA as follows:

(a) This Agreement and all documents executed by the District that are to be delivered to City and CRA at the Closing are, or at the time of Closing will be, duly authorized, executed and delivered by the District. This Agreement and all documents executed by the District that are to be delivered to City and CRA at the Closing are, or at the Closing will be, legal, valid and binding obligations of the District, and do not, and at the time of Closing will not, violate any provisions of any agreement or judicial order to which the District is a party or to which the District is subject;

(b) District has the authority to own and accept conveyance of the Campus Site;

(c) As of the Closing Date, the District will have reviewed and approved documents related to the condition of title to the Campus Site and those documents and materials regarding the legal and physical condition of the Campus Site as the District has deemed necessary or reasonable; and

(d) Except as provided in this Agreement, City and CRA have made no representations of any kind (whether oral or written, express or implied) to the District with respect to the physical condition or entitlement status of the Campus Site, or the suitability of the Campus Site for the Project, and/or any documentation, materials or information provided to the



District by City and CRA and the District hereby represents and warrants to City and CRA that the District is accepting the Campus Site solely in reliance upon the District's own investigations and evaluation thereof.

5.2 City's and CRA's Representations and Warranties. City and CRA hereby represent and warrant to the District as follows:

(a) This Agreement and all documents executed by City and CRA that are to be delivered to the District at the Closing are, or at the time of Closing will be, duly authorized, executed and delivered by City and CRA. This Agreement and all documents executed by City and CRA that are to be delivered to the District at Closing are, or at the time of Closing will be, legal, valid and binding obligations of City and CRA, and do not, and at the time of Closing will not, violate any provisions of any agreement or judicial order to which City and CRA are parties or to which City and CRA or the Campus Site are subject.

(b) City and CRA have the authority to own and convey the Campus Site; and

(c) City and CRA have made available to the District the Data in its possession. City and CRA make no representation or warranty about the condition of title, the accuracy or validity of any documents or materials made available to the District, or of the District's right to rely on the same; and

(d) City and CRA have no knowledge of any previous activity by any party related to the use, storage, transportation, generation, release, or introduction of any Hazardous Materials about, on, or under the Campus Site in violation of environmental laws. The term "Hazardous Materials" means any toxic or hazardous substance, material or waste or any pollutant or contaminant or infectious or radioactive material regulated now under any environmental laws. The term "environmental laws" means any federal, state or local laws, ordinances, codes, statutes, regulations, administrative rules, policies and orders, and other authority, existing now or in the future, which classify, regulate, list, or define hazardous materials.

5.3 Continuation and Survival of Representations and Warranties. All representations and warranties by the respective Parties contained herein are intended to and shall remain true and correct as of the time of Closing, shall be deemed to be material, and shall survive the execution and delivery of this Agreement, the delivery of the Grant Deed, and transfer of title to the Campus Site for a period of six (6) months following the Closing.

## ARTICLE VI

### NO RELIANCE - AS-IS; INDEMNIFICATION AND RELEASE

6.1 No Reliance – As-Is, Where Is, With All Faults. THE DISTRICT ACKNOWLEDGES THAT, NOTWITHSTANDING THE REPRESENTATIONS AND WARRANTIES OF THE CITY AND CRA SET FORTH IN THIS AGREEMENT, IT IS ACQUIRING THE CAMPUS SITE IN RELIANCE SOLELY ON: (I) THE DISTRICT'S INSPECTION OF THE CAMPUS SITE; (II) THE DISTRICT'S INDEPENDENT VERIFICATION OF THE TRUTH OF ANY DOCUMENTS MADE AVAILABLE TO THE DISTRICT; (III) THE OPINIONS AND ADVICE CONCERNING THE CAMPUS SITE OF

CONSULTANTS AND ATTORNEYS ENGAGED BY THE DISTRICT; AND (IV) THE REPRESENTATIONS AND WARRANTIES OF CITY AND CRA EXPLICITLY SET FORTH IN ARTICLE V ABOVE. THE DISTRICT ACKNOWLEDGES THAT BEFORE EXPIRATION OF THE INVESTIGATION PERIOD, THE DISTRICT WILL HAVE PERFORMED ALL OF ITS DUE DILIGENCE INVESTIGATIONS OF AND WITH RESPECT TO THE CAMPUS SITE AS THE DISTRICT DEEMS APPROPRIATE, WHICH ARE DESCRIBED IN SUBSECTION 3.2 ABOVE. THE DISTRICT ACCEPTS THE UNIMPROVED CAMPUS SITE, AND ALL MATTERS RELATING TO THE UNIMPROVED CAMPUS SITE IN THEIR "AS IS, WHERE IS, WITH ALL FAULTS" CONDITION OR STATUS, IN ITS PRESENT STATE AND CONDITION AND WITH ALL FAULTS, IF ANY AS OF THE CLOSE OF ESCROW. THE DISTRICT ACKNOWLEDGES AND AGREES THAT CITY AND CRA ARE NOT MAKING, AND THE DISTRICT DISCLAIMS AND WAIVES AND RELEASES CITY AND CRA FROM, ANY EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS OF ANY KIND OR CHARACTER WITH RESPECT TO THE CAMPUS SITE, EXCEPT AS EXPLICITLY SET FORTH IN ARTICLE V ABOVE. THE DISTRICT WARRANTS AND REPRESENTS THAT IT HAS NOT DIRECTLY OR INDIRECTLY RELIED ON ANY WARRANTY OR REPRESENTATION OF CITY AND CRA NOT EXPLICITLY SET FORTH IN ARTICLE V ABOVE AND WILL NOT DO SO.

6.2 Environmental Indemnification. Effective as to the Campus Site, upon the District's acquisition of any interest in all or a portion of the Campus Site, the District shall, to the maximum extent permitted by law, indemnify, protect, defend, assume all responsibility for and hold harmless the City and CRA Indemnified Parties from and against all Claims resulting or arising from or in any way connected with the existence, release, threatened release, presence, storage, treatment, transportation and/or disposal of any Hazardous Materials at any time on, in, under, from, about, or adjacent to any portion or portions of the campus Site, regardless of whether any such condition is known or unknown now or upon acquisition and regardless of whether any such condition pre-exists acquisition or is subsequently caused, created, or occurring, provided, however, that District shall not be responsible for and such indemnity shall not apply to the gross negligence or willful misconduct of the Indemnified Parties, This environmental indemnity shall be binding upon any successors of the district owning all or any part thereof in accordance with Section 6.4 of this Agreement.

6.3 Release. Save and except for the covenants, representations, and warranties of any City or CRA Indemnified Party under this Agreement, the Releasing Party hereby waives, as of the date of execution of this Agreement and as of the Closing Date, its right to recover from, and fully and irrevocably releases, the City and CRA Indemnified Parties from any and all Claims that the District may now have or hereafter suffer or acquire for any costs, losses, liabilities, damages, expenses, demands, actions, or causes of action: (a) arising from any information or documentation supplied by any of the City or CRA Indemnified Parties; (b) arising from any condition of the Campus Site, known or unknown by any City or CRA Indemnified Party; (c) arising from any construction defects, errors, omissions, or other conditions, latent or otherwise, including environmental matters, as well as economic and legal conditions on or affecting the Campus Site or any portion thereof; (d) arising from the existence, release, threatened release, presence, storage, treatment, transportation or disposal of any Hazardous Materials at any time on, in, under, from, about, or adjacent to the Campus Site or any portion thereof; or (e) by any governmental authority or any other third party arising from or related to any actual, threatened,

or suspected release of a Hazardous Material on, in, under, from, about, or adjacent to the Campus Site, or any portion thereof, including any investigation or remediation at to about the Campus Site; provided, however, that the foregoing release by the Releasing Party shall not apply to the extent that any Claim as described in this Section 6.3 is the result of the willful misconduct or fraud of a City or CRA Indemnified Party arising after the Close of Escrow. This release includes any Claim for which the District is presently unaware or which the district does not presently suspect to exist which, if known by the District, would materially affect the District's release to the City and CRA Indemnified Parties. The District specifically waives the provision of California Civil Code Section 1542, which provides as follows:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.”

This release shall run with the land and bind all owners and successor owners thereof and, to further evidence its effectiveness with respect to successor owners of the campus Site, shall be included in its entirety in the Grant Deed.

6.4 Duration of Indemnities. The indemnities and releases set forth in this Article 6 shall survive any Closing or the termination of this Agreement, and shall be included in the Grant Deed and continue to be binding and in full force and effect in perpetuity with respect to the District and its successors.

## **ARTICLE VII PLANNING; FINANCING; IMPROVEMENTS; TARGET SCHEDULE**

7.1 Recognition of City Contributions. In consultation with the City, the District shall ensure that the City's purchase and transfer of the Campus Site to District at no cost, other financial contributions toward development of the Campus Site, and general support for the Project are given prominent public acknowledgment and recognition by means of permanent building plaques and/or monument signs on the Campus Site, in news media releases, during groundbreaking and dedication ceremonies, on the District's website, and the like.

7.2 Academic and Facilities Master Plan. District will develop and provide City with a description of an academic and facilities master plan for the Campus Site acceptable to City and CRA sufficient for inclusion in the College Park Specific Plan (described below) and that Plan's CEQA analysis. The campus will be designed to accommodate an enrollment of at least 10,000 full-time-equivalent students, with facilities to include classroom, lecture, lab, administrative, and other academic support facilities; parking facilities; and recreational and athletic facilities. The description of the facilities master plan will identify these facilities at a programmatic level, identify City joint-use opportunities, and identify the District's public-private partnership opportunities that will be an important means of implementing the master plan and helping the Parties achieve their common objectives for the Project. Thereafter, the District will continue to develop and refine this master plan, subject to consultation with the City as provided in section 7.4 below

7.3 Cooperative Planning. City, CRA, and District will work cooperatively to prepare and implement the City's College Park Specific Plan for the Project Area. City and CRA will

acknowledge, in appropriate regulatory documents (e.g., zoning, specific plan provisions, and a statutory development agreement), that Education Uses may be constructed on campus without the need for additional City and CRA approvals, recognizing that District generally is not subject to City planning and zoning requirements, but subject to District's consultation with the City as provided in this Article.

7.4 Anticipated Partnership Uses. In addition to a general academic focus, the District's proposed new Palm Springs campus will also emphasize sustainable and renewable energy technologies and support locally vital industries. The District acknowledges that the City is primarily responsible for business and economic development activities in the Palm Springs community, and to the extent that the District's future partnership uses on the Campus Site involve such activities, then the City will play an advisory role in such business and economic development activities, as outlined below in this section. Based on this campus strategy, the partnership uses that are anticipated on the Campus Site are as follows:

- Support retail facilities (i.e., bookstore, food court, copy center, convenience goods and services);
- Campus-related housing for faculty, staff, and/or students;
- Renewable energy Green Park, including solar photo-voltaic and/or other renewable energy production facilities;
- R&D park facilities that would support academic and training programs related to sustainable green and clean and renewable energy technologies, including potential solar and wind power generation;
- Business development/incubator uses;
- City park and recreational uses; and
- Other potential partnership uses will be explored in the following areas:
  - Hospitality, conferencing and culinary arts;
  - Entertainment, film, television, and theater arts;
  - Allied health uses and programs;
  - Other partnerships that may evolve in the future.

The District will actively consult with designated representatives of the City regarding proposed partnership users and uses before entering into such transactions. In addition, the District will actively consult with the City's representatives regarding proposed changes in existing partnership arrangements and on-going operational and performance issues that may be of interest to the City. The District will consider in good faith all comments, questions, and concerns raised by City's representatives concerning proposed users and uses, and attempt to structure and/or operate its partnership transactions in ways that take such comments, questions, and concerns into consideration.

District will consult with the City and the CRA in the preparation of its Academic and Facilities Master Plan and shall share a preliminary draft of such plan with the City and CRA for review and comment prior to its release to the public. District will give consideration to all comments received from the City and the CRA on such plan. All uses of the Campus Site shall be consistent with the CPSP.

7.5 Structure of Partnership Transactions. Partnership transactions shall be structured as either (a) An unsubordinated ground lease of up to the maximum term allowed by law, with

rights to improve leased parcels per approved plan, or (b) A lease of facilities offered by District or District partner. For the benefit of the City and District, the District shall ensure that the transactions are structured such that the users, to the maximum extent allowed by law, will be subject to property taxes, including, but not limited to, taxes on possessory interests in portions of the Campus Site or its facilities.

7.6 Joint Use Facilities. Pursuant to Education Code section 82537 et seq., the District will make the Campus Site's facilities available as a "civic center" to the City, other public agencies, community residents, organizations, clubs, and associations for recreational, cultural, and meeting purposes. In addition, the District, City, and CRA will explore and implement joint use agreements to ensure specific community access and support for optimal use of joint-use recreational, athletic, cultural and performing arts, wellness/fitness, parking, and other facilities on the Campus Site, which may include use of outdoor playing fields and courts, playgrounds, park/open spaces, swimming pools, gymnasiums, libraries, community gardens, nature areas, rooms for arts and crafts, and meeting places. These opportunities will be formally considered in District's master planning process, which may be subsequent to transfer of Campus Site. To the extent that the City agrees to fund part or all of the District's development of new park or recreational facilities on the Campus Site with Quimby Act fees, then the parties must enter into a joint-use and operating agreement for such facilities as a condition of such funding. Additionally, joint-use facilities shall be subject to operating agreements that establish and structure equitable access and benefits to the Parties. Such operating agreements shall be separate from this Agreement and separately approved by the Parties as applicable.

7.7 Infrastructure Improvements. The Parties will verify the extent to which the infrastructure necessary to support the new campus is already in place, including streets, water, sewer, and dry utilities. In the event the City determines that Sunrise Parkway is to be extended along the northern boundary of the Property to Highway 111 on the west, then it shall be at no cost to the District.

7.8 College Park Specific Plan. The City's College Park Specific Plan ("CPSP") is intended to promote several broad goals, including:

- Stabilization and enhancement of residential neighborhoods;
- Encouragement of sustainable energy technologies;
- Support the District vision of traditional academic programs, and additional programs in Renewable Energy and sustainable green technologies, hospitality management, culinary arts, performing and visual arts, and allied health services; and
- Provide the regulatory framework for the District's implementation of the various anticipated partnership use projects, by establishing parameters for the partnership uses in accordance with the campus site and facilities master plan description, and affirming the District's authority to implement the plan without further City or CRA approvals. The CPSP also will provide the basis for establishing internal division of the Campus Site into multiple legal parcels to facilitate District and partnership uses.

7.9 CEQA. The Parties agree that compliance with the California Environmental Quality Act ("CEQA") with respect to the transfer and development of the Campus Site, the Project, and related matters, is required and will be achieved as follows:

(a) On or before the expiration of the Investigation Period, the District's Governing Board shall have deferred the adoption of required environmental documentation for the transfer and development of the Campus Site as contemplated hereunder, including feasible measures to mitigate any adverse environmental impacts of the Project, as allowed by section 15004(b)(2) of the Guidelines for the Implementation of the California Environmental Quality Act. In connection with such deferral, the District covenants that it will not change, or suffer third parties to change, the use of the Campus Site from the uses in existence upon the Effective Date to any other uses, including the Project, unless and until the District has complied with CEQA.

(b) This Agreement and the CPSP will be subject to the requirements of CEQA. City or CRA will serve as lead agency for this purpose, and CRA or City, and District, will be responsible agencies. CEQA compliance with respect to the transfer of the Campus Site from the City and CRA to the District will be deferred until action on the CPSP, per CEQA Guideline section 15004(b). Following adoption of the CPSP, (1) District will be the lead agency and City and CRA will be responsible agencies, as appropriate, for implementation of the CPSP as it relates to the development of Education Uses on the Campus Site and (2) City or CRA will be the lead agency and CRA or City, and District, will be responsible agencies, as appropriate, for implementation of the CPSP as it relates to the development of Additional Uses on the Campus Site.

7.10 Additional City Funding. In addition to any other obligations of the City and Agency under the terms of this Agreement, for a period beginning the fiscal year that classes commence on the Campus Site in permanent facilities developed in accordance with the Academic and Facilities Master Plan, the City and Agency agree to allocate to the District fifty percent (50%) of the Base Property Tax Revenues from the Influence Area for a period of forty (40) years.

7.11. Taxes The District and any district partner or successor shall be responsible for and shall pay all Local Taxes applicable to transactions or activities occurring on the Campus Site and nothing in this Agreement shall be construed as exempting or excepting in any manner the District, a district partner, or any successor of the District from the payment of Local Taxes.

7.12 Joint Funding Efforts. District, CRA, and City will jointly seek state, federal, and private funding for Green Park and other aspects of the Project and CPSP.

7.13 Target Schedule. CRA, City, and District will work diligently to attempt to complete the following tasks within the listed timeframes:

- Completion and approval of Environmental Assessment and other documentation for BLM transfer by December 2010;
- Completion of Campus Site due diligence by District by May 2010;
- Completion and approval of this Agreement between District and City/CRA by June 2010;
- Completion of property transfer from BLM to City and/or CRA by December 2010;
- Completion of property transfer from City and CRA to District by December 2010; and
- Completion and approval of CPSP and CEQA documentation by December 2010.

Thereafter, District, and City and CRA will implement their plans for their respective

properties as resources and opportunities become available to them for those purposes, recognizing that all are subject to financial constraints that will dictate the scope, pace, and timing of development of the properties. It is understood that the District intends to develop its initial phase of the master-planned facilities on the Campus Site as soon as possible.

7.14. Application of Field Act. Notwithstanding any other provision of this Agreement, in the event District processes plans for a particular structure (a) with the California Division of the State Architect ("DSA"), as required or permitted under Section 81130-81149 of the California Education Code, as it may be amended from time to time (the "Field Act"), or (b) otherwise in compliance with the Field Act or another applicable statute or regulation that concerns the review and approval of building plans for community college structures, then District shall be exempt from processing such plans for a particular structure with the City.

7.15 Compliance with City Ordinances. District acknowledges that the forgoing provisions of Section 7.14 do not limit the City's rights or obligations to exercise normal processing, review, and approval, and collection of normal fees in connection therewith, concerning matters not covered by Section 7.14, including, but not limited to, applications for development entitlements of any Additional Use, plans for grading, drainage, siting of improvements, alterations to a public right of way, circulation, parking, and utilities connection.

7.16 Working Group. To promote communication between the parties and the cooperation and consultation provided for in this Agreement, the District and City will each appoint representatives to a "working group" whose goal will be to facilitate the initial implementation of the Agreement. The working group will meet as necessary and its activities will be coordinated by a representative of the District, in concert with a designated representative of the City. Following the initial implementation of the Agreement, the working group may continue to play a role in promoting the parties' communication, cooperation, and consultation with respect to the Campus Site, but with such structure and on such terms and conditions as the District and City may agree.

Thereafter, District, and City and CRA will implement their plans for their respective properties as resources and opportunities become available to them for those purposes, recognizing that all are subject to financial constraints that will dictate the scope, pace, and timing of development of the properties. It is understood that the District intends to develop its initial phase of the master-planned facilities on the Campus Site as soon as possible.

## ARTICLE VIII DEFAULTS AND REMEDIES

8.1 The District's Default. The District shall be in default under this Agreement if: (a) the District fails to perform any obligation to be performed by the District hereunder within the time periods provided for herein, or if no time period is provided, in a timely fashion; or (b) the District breaches or violates any representation, warranty, covenant, or undertaking of the District contained herein, provided that the District shall have 10 business days to cure a such default (or such longer period as is reasonably required in the exercise of due diligence, not to exceed 20 business days), if the District commences such cure within the initial 10 business day period) after the District receives written notice of such default from the City and CRA ("District's Default").

8.2 Remedies for the District's Default. In the event of a District's Default that has not been cured as provided above, and provided the City and CRA is not then in default under this Agreement, then the City and CRA may, as the City and CRA's sole and exclusive remedies for such District's Default, either: (a) waive the effect of such matter, provided that this Agreement has not otherwise terminated, and proceed to consummate the Closing (provided that in no event shall the City and CRA have the right to waive any of the District's conditions precedent hereunder and in no event shall City and CRA be required to waive any rights relating to any Surviving Obligations); or (b) cancel this Agreement. If the City and CRA elect to terminate this Agreement under the preceding sentence, then City and CRA shall be entitled to return of any documents supplied or deposited, the District shall pay any escrow cancellation fee arising from such termination, and the Parties shall have no further obligations hereunder except for the Surviving Obligations.

8.3 The City and CRA's Default. The City and CRA shall be in default under this Agreement if: (a) the City and CRA fail to perform any obligation to be performed by the City and CRA hereunder within the time periods provided for herein, or if no time period is provided, in a timely fashion; or (b) the City and CRA breach or violate any representation, warranty, covenant, or undertaking of the City and CRA contained herein, provided that the City and CRA shall have 10 business days to cure such default (or such longer period as is required in the exercise of due diligence, not to exceed 20 business days, if the City and CRA commence such cure within the initial 10 business day period) after the City and CRA receive written notice of such default from the District ("City and CRA's Default").

8.4 Remedies for the City and CRA's Default. In the event of a City and CRA's Default that has not been cured as provided above, and provided the District is not then in default under this Agreement, then the District may, as the District's sole and exclusive remedies for such City and CRA's Default either: (a) waive the effect of such matter, provided that this Agreement has not otherwise terminated, and proceed to consummate the Closing (provided that in no event shall the District have the right to waive any of the City and CRA's conditions precedent hereunder and in no event shall District be required to waive any rights relating to any Surviving Obligations); (b) cancel this Agreement; or (c) provided that this Agreement has not otherwise been terminated, bring as appropriate action for specific performance or other equitable remedies for enforcement of this Agreement. If the District elects to terminate this Agreement under the preceding sentence, then District shall be entitled to return of any documents supplied or deposited, the City and CRA shall pay any escrow cancellation fee arising from such termination, and the Parties shall have no further obligations hereunder except for the Surviving Obligations.

8.5 Mediation Required. Except as provided herein, no civil action with respect to any dispute, claim, or controversy arising out of or relating to this Agreement may be commenced until the matter has been submitted to non-binding mediation. Any Party may commence mediation by providing to the other Parties a written request for mediation, setting forth the subject of the dispute and the relief requested. The Parties will cooperate with one another in selecting a mediator and in scheduling the mediation proceedings. If the Parties are unable to agree upon a mediator, then JAMS shall select one from its panel of neutrals serving the Riverside County area. The Parties covenant that they will participate in the mediation in good faith, and that they will share equally in its costs. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation by any of the Parties,



their agents, employees, experts and attorneys, and by the mediator, are confidential, privileged and inadmissible for any purpose, including impeachment, in any litigation or other proceeding involving the Parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation. Any Party may seek equitable relief prior to the mediation to preserve the status quo pending the completion of that process. Except for such an action to obtain equitable relief, no Party may commence a civil action with respect to the matters submitted to mediation until after the completion of the initial mediation session, or 45 days after the date of filing the written request for mediation, whichever occurs first. Mediation may continue after the commencement of a civil action, if the Parties so desire. The provisions of this subsection may be enforced by any Court of competent jurisdiction, and the Party prevailing in the matter shall be entitled to an award of all costs, fees, and expenses, including attorneys' fees, pursuant to section 9.7 below.

## ARTICLE IX MISCELLANEOUS

9.1 Notices. Any communication, notice or demand of any kind that any Party may be required or may desire to give to or serve upon the other shall be in writing, addressed to the Parties at the addresses set forth below, and delivered by personal service, by overnight delivery service, by facsimile transmission, or by registered or certified mail, postage prepaid, return receipt requested:

- If to City and CRA: The City of Palm Springs  
Palm Springs City Hall  
3200 E Tahquitz Canyon Way  
Palm Springs, CA 92262  
Attention: City Manager  
Facsimile No.: (760) 323-8207
- With a Copy to: Douglas C. Holland, City Attorney  
c/o Woodruff, Spradlin & Smart  
555 Anton Boulevard, Suite 1200  
Costa Mesa, CA 92626  
Facsimile No.: (714) 415-1142
- If to District: Desert Community College District  
43-500 Monterey Avenue  
Palm Desert, CA 92260  
Attention: President  
Facsimile No.: (760) 341-8678
- With a Copy to: Jerome M. Behrens, Esq.  
Jeffrey L. Kuhn, Esq.  
Lozano Smith, Attorneys at Law  
7404 N. Spalding Avenue  
Fresno, CA 93720  
Facsimile No.: (559) 261-9366

If to Escrow Holder: First American Title Company  
250 E. Palm Canyon Drive  
Palm Springs, CA 92264  
Attention: Lynae Rendon  
Facsimile No.: 866-623-4204

Any such notice shall be deemed delivered as follows: (a) if personally delivered, the date of delivery to the address of the person to receive such notice; (b) if sent by overnight delivery service, the date of delivery to the address of the person to receive such notice; (c) if sent by facsimile transmission, the date transmitted to the person to receive such notice if sent by 5:00 p.m. California time, and the next business day if sent after 5:00 p.m. California time; or (d) if mailed, three (3) calendar days after depositing same in the mail. Any notice sent by facsimile transmission must be confirmed by personally delivering or mailing a copy of the notice sent by facsimile transmission. Any Party may change its address or the addressee for notice by written notice given to the other parties at least five (5) calendar days before the effective date of any such change in the manner provided in this Section.

9.2 Successors and Assigns. The City and CRA's rights and obligations under this Agreement may not be assigned, delegated, encumbered or otherwise transferred, whether voluntarily or involuntarily, or by operation of law or otherwise, without the prior written consent of the District, which consent shall be at the sole and absolute discretion of the District. The District's rights and obligations under this Agreement may not be assigned, delegated, encumbered or otherwise transferred, whether voluntarily or involuntarily, or by operation of law or otherwise, without the prior written consent of City and CRA, which consent shall be at the sole and absolute discretion of the City and CRA. This Agreement shall be binding upon, and shall inure to the benefit of, the Parties hereto and their respective heirs, administrators and permitted successors and assigns.

9.3 Amendments. This Agreement may be amended or modified only by a written instrument executed by City, CRA, and the District.

9.4 Interpretation. Words used in the singular shall include the plural, and vice-versa, and any gender shall be deemed to include the other. The captions and headings of the Articles and Sections of this Agreement are for convenience of reference only, and shall not be deemed to define or limit the provisions hereof. Each Party acknowledges that such Party and its counsel, after negotiation and consultation, have reviewed and revised this Agreement. As such, the terms of this Agreement shall be fairly construed and the usual rule of construction, to the effect that any ambiguities herein should be resolved against the drafting Party, shall not be employed in the interpretation of this Agreement or any amendments, modifications or exhibits hereto or thereto.

9.5 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of California.

9.6 Entire Agreement. This Agreement constitutes the entire agreement between the Parties hereto and supersedes all prior and contemporaneous negotiations, discussions, representations, statements, documents, understandings and agreements, whether oral or written, express or implied, with respect to the subject matter hereof, including, but not limited to, all prior letters of intent and correspondence between the Parties.

9.7 Attorneys' Fees and Costs. If any Party brings any suit or other proceeding with respect to the subject matter or the enforcement of this Agreement, the prevailing party (as determined by the court, agency or other authority before which such suit or proceeding is commenced), in addition to such other relief as may be awarded, shall be entitled to recover attorneys' fees, expenses and costs of investigation actually incurred. The foregoing includes, but is not limited to, attorneys' fees, expenses and costs of investigation incurred in appellate proceedings, costs incurred in establishing the right to indemnification, or in any action or participation in, or in connection with, any case or proceeding under Chapter 7, 11 or 13 of the Bankruptcy Code (11 United States Code Sections 101 et seq.), or any successor statutes.

9.8 Time of the Essence. Time is of the essence of this Agreement.

9.9 No Waiver. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the Party making the waiver.

9.10 Further Acts. Each Party, at the request of the other, shall execute, acknowledge (if appropriate) and deliver whatever additional documents, and do such other acts, as may be reasonably required in order to accomplish the intent and purposes of this Agreement.

9.11 Exhibits. Exhibits to this Agreement attached hereto are incorporated herein by reference.

9.12 Brokerage Commissions. Each Party represents and warrants that it has not dealt with any real estate broker, consultant, finder, or agent in connection with this Agreement. Each Party hereby indemnifies and holds harmless the other Parties against and from any and all claims for any brokerage commissions and all Claims in connection therewith arising from any breach by such Party of the foregoing representation and warranty. Each Party shall be responsible for compensating its own officers, employees, consultants, and attorneys for their services in this transaction.

9.13 No Intent to Benefit Third Parties. The Parties do not intend by any provision of this Agreement to confer any right, remedy, or benefit upon any third party, and no third party shall be entitled to enforce or otherwise shall acquire any right, remedy or benefit by reason of any provision of this Agreement.

9.14 Performance Due on Day other than Business Day. If the time period for the performance of any act called for under this Agreement expires on a Saturday, Sunday, or any other day on which banking institutions in the State of California are authorized or obligated by law or executive order to close (a "Holiday"), the act in question may be performed on the next succeeding day that is not a Saturday, Sunday or Holiday.

9.15 Partial Invalidity. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, and each such other term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

9.16 Approvals, Reasonableness. Except when this Agreement specifically authorizes a Party to withhold its approval or consent in its sole and absolute discretion, when any Party shall require the approval or consent of another Party in fulfilling any covenant, provision, or condition set forth herein, such approval or consent shall not be unreasonably withheld, conditioned, or delayed by the Party from whom such approval or consent is sought.

9.17 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to constitute an original, but all of which, when taken together, shall constitute one and the same instrument, with the same effect as if all of the Parties to this Agreement had executed the same counterpart. Facsimile signatures shall be binding upon the City and CRA, District, and the Escrow Holder.

## ARTICLE X DEFINITIONS

For the purpose of this Agreement, the following capitalized terms shall have the meaning set forth as follows:

“Additional Use” or “Additional Uses” means uses permitted or otherwise allowed under the terms of the Specific Plan but which are not “Education Uses” as that term is defined in this Agreement.

“Base Property Tax Revenues” means the property tax revenues allocated to the City and Agency for each fiscal year beginning with the fiscal year that classes commence on the Campus Site in excess of property tax revenues allocated to the City and Agency during the fiscal year prior to the fiscal year in which classes commence on the Campus Site.

“BLM” means the United States Bureau of Land Management.

“Campus Site” means the approximately 119.4 acres of undeveloped real property depicted on *Exhibit “A”* to this Agreement.

“City” means the City of Palm Springs, California, a California Charter City.

“City and CRA Indemnified Parties” means the City, CRA, and their respective officers, elected officials, employees, agents, attorneys, affiliates, representatives, contractors, successors, and assigns.

“Claim” or “Claims” means any and all claims, actions, causes of action, demands, orders, or other means of seeking or recovering losses, damages, liabilities, costs, expenses (including attorneys’ fees, fees of expert witnesses, and consultants’ and court and litigation costs), fines, penalties, liens, taxes, or any type of compensation whatsoever, direct or indirect, known or unknown, foreseen or unforeseen.

“Closing” and “Closing Date” shall have the meanings provided in Section 4.2 of this Agreement.

“CRA” or “Agency” means the Community Redevelopment Agency of the City of Palm Springs,

a California Community Redevelopment Agency.

“Data” means all material documents in the possession of the City or the CRA relating to the Campus Site, including without limitation soil reports, surveys, and geo-technical reports.

“District” means the Desert Community College District, a California Community College District.

“District’s Conditions” means the conditions precedent to acceptance of the transfer of the Campus Site as set forth in subsections 3.2 through 3.4 of this Agreement.

“Education Uses” means the District’s West Valley Campus, an education oriented development which may include traditional and non-traditional advanced education, adult education, continuing education, vocational, job and educational training, or other educational and training opportunities, including, but not limited to, programs in renewable energy and sustainable green technologies, hospitality management, culinary arts, performing and visual arts, and allied health services; joint use facilities between the District, and City or other governmental agencies, including, but not limited to, those shown in Section 7.6 above; as well as accessory uses when customarily associated with and subordinate with the educational uses listed above that would include, but not necessarily limited to dormitory/student/faculty/staff apartment housing; minor support commercial, office, and retail services uses including without limitation food services; bookstores, copy centers, convenience goods and services, administrative offices; a post office; medical/dental clinics; laboratories and office facilities used for basic and applied research, testing, and consulting; industrial/commercial business development uses and incubators which support educational programs or provide educational opportunities; maintenance facilities, structures, and storage facilities; guard houses, gates, and other security facilities and structures; renewable energy green park, including solar photo-voltaic and/or other renewable energy production facilities; research and development park facilities that would support academic and training programs, including potential solar and wind power generation; and energy conservation facilities, as defined in Chapter 3.2 (commencing with Section 4217.10) of Division 5 of Title 1 of the Government Code, as it may be amended from time to time.

“Effective Date” means the date a fully executed copy of this Agreement is deposited with the Escrow Holder.

“Grant Deed” means the instrument conveying the City’s interest in the Campus Site to the District as provided in Article IV of this Agreement.

“Influence Area” means Planning Areas 1, 3, and 5 as shown in the CPSP, as depicted on *Exhibit “D”* to this Agreement).

“Investigation Period” the 30 day period for the District to investigate and research and approve or disapprove the physical, developmental, legal, and economic status and feasibility of the Campus Site for the Project as provided in Section 3.2 of this Agreement.

“Project Area” means the 119.4 acres the City and CRA intend to purchase from BLM, the 17.6 contiguous acres already owned by City, and the surrounding area, including the “Influence Area” all as depicted on *Exhibit “E”* to this Agreement.

“Releasing Party” means the District or any person claiming by, through, or under the District, including all voluntary and involuntary successors of the District owning all or any portion of the Campus Site.

“Surviving Obligations” means the specifically delineated agreements, duties, and obligations of one or more of the Parties to this Agreement that are expressly stated to survive the termination of this Agreement.

“Tests and Inspections” means the inspections, reviews, examinations, and tests on the Campus Site as described in Section 3.2 of this Agreement.

“Title Company,” “Title Report,” “Title Review Deadline,” and “Disapproved Title Exceptions” shall have the meanings provided in Section 3.4 of this Agreement.

“Title Policy” means the CLTA Owner’s policy of title insurance as provided in Section 4.8 of this Agreement.

THIS AGREEMENT SHALL BECOME EFFECTIVE AND BINDING ONLY UPON EXECUTION AND DELIVERY HEREOF BY THE DISTRICT, CITY, AND CRA.

**EXECUTION**

IN WITNESS HEREOF, the Parties hereto have executed this Agreement as of the date first written above.

**City:** THE CITY OF PALM SPRINGS

By: \_\_\_\_\_  
Steve Pougnet, Mayor

APPROVED AS TO FORM

  
\_\_\_\_\_  
City Attorney

Date 07.15.2010

**CRA:** THE PALM SPRINGS COMMUNITY REDEVELOPMENT AGENCY

By: \_\_\_\_\_  
Steve Pougnet, Chairman

**District:** DESERT COMMUNITY COLLEGE DISTRICT

By: \_\_\_\_\_  
Jerry R. Patton, President

**CONSENT AND ACCEPTANCE OF ESCROW HOLDER:**

The undersigned consents to and accepts the instructions set forth in the above Property Transfer and Development Agreement for West Coachella Valley Community College Project.

First American Title Company

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**Exhibits**

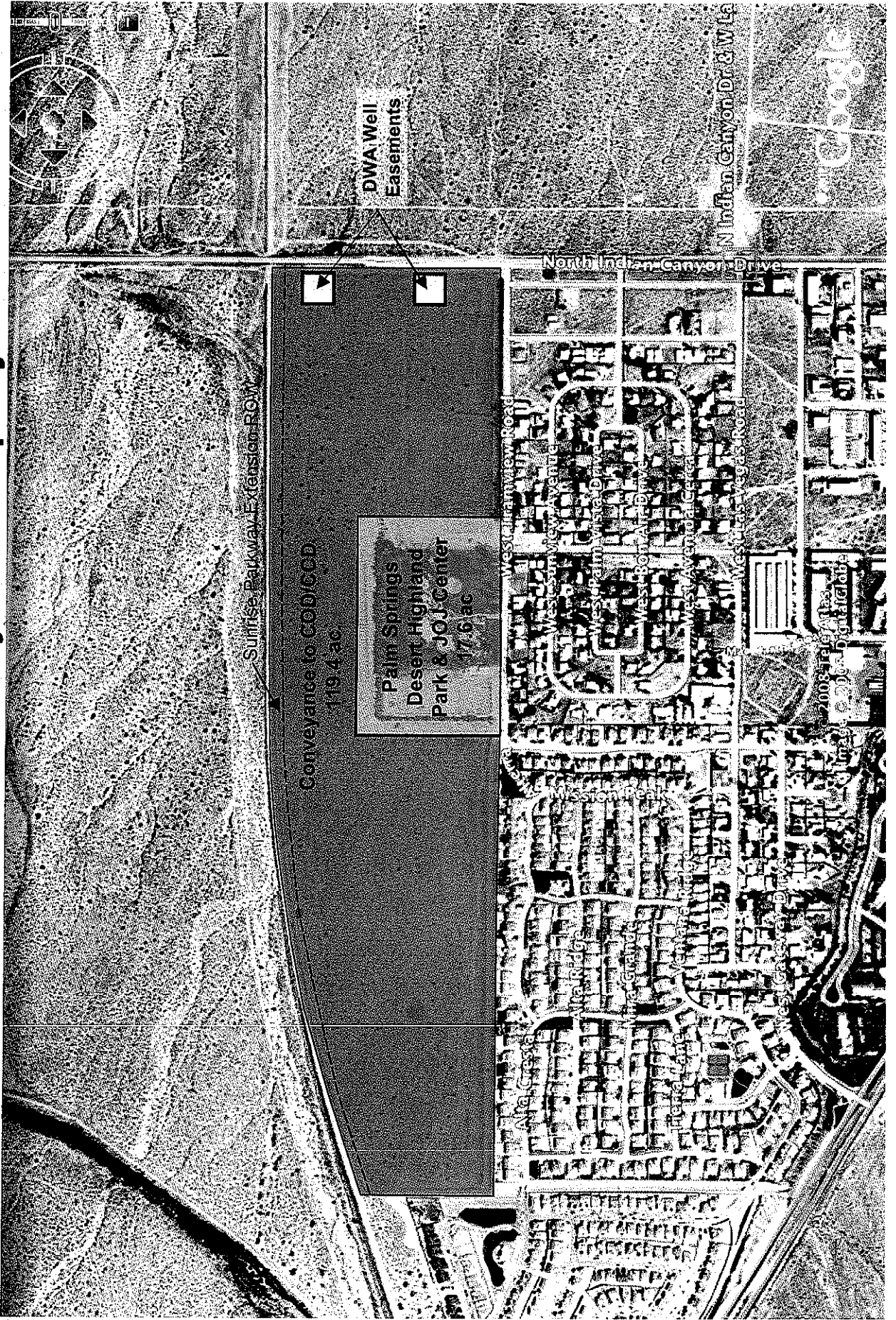
- A *Campus Site Depiction*
- B *Legal Description of Campus Site*
- C *Form of Certificate of Acceptance*
- D *Influence Area Depiction*
- E *Project Area Depiction*

***EXHIBIT "A"***

**CAMPUS SITE DEPICTION**  
[To be added from Term Sheet]



# EXHIBIT A: Acquisition and Conveyance Property



**EXHIBIT "B"**

**LEGAL DESCRIPTION OF CAMPUS SITE**

119.37 Gross acres of vacant land at the north northwest corner of Tramview Road and Indian Canyon Drive, Palm Springs, Riverside County, California

The Riverside County Assessor identifies the subject property as follows:  
Map Book 669; Page 330; Parcel 029

The public lands proposed for sale are described as lot 7 in section 34, Township 3 South, Range 4 East, San Bernardino Base and Meridian, according to the supplemental plat accepted by the US Bureau of Land Management on March 29, 2010.

**EXHIBIT "C"**

**FORM OF CERTIFICATE OF ACCEPTANCE**

**CERTIFICATE OF ACCEPTANCE OF GRANT DEED**

This is to certify that the interest in Real Property conveyed by Grant Deed dated \_\_\_\_\_, from THE CITY OF PALM SPRINGS, a California Municipal Corporation, to DESERT COMMUNITY COLLEGE DISTRICT, a California Community College District, is hereby accepted by Jerry R. Patton, President, on behalf of the DESERT COMMUNITY COLLEGE DISTRICT, pursuant to the authority conferred upon him by the Board of Trustees on \_\_\_\_\_, and the DESERT COMMUNITY COLLEGE DISTRICT, as Grantee, consents to recordation of the Grant Deed by its duly authorized officer, Jerry R. Patton, President of the DESERT COMMUNITY COLLEGE DISTRICT.

DATED: \_\_\_\_\_

DESERT COMMUNITY COLLEGE DISTRICT,  
a California Community College District

By: \_\_\_\_\_  
Jerry R. Patton, President

[Attach Notary Acknowledgment for Recording]



07.14.10

Exhibit  
**D**



**Palm Springs / College of the Desert  
Property Transfer & Development Agreement  
Ad Valorem Tax Planning Areas**

**TERRA NOVA®**  
Planning & Research, Inc.

Source: Map Quest 02.26.10

**EXHIBIT "D"**

**INFLUENCE AREA DEPICTION**

[To be added]

***EXHIBIT "E"***

**PROJECT AREA DEPICTION**

[To be added]



05 11 10

Exhibit  
**E**




**College Park Specific Plan  
Planning Area Boundaries  
Palm Springs, California**

**TERRA NOVA®**  
Planning & Research, Inc.

Source: Map Quest 02/26/10

**Legend**

- Specific Plan Boundary
- Planning Areas

 <p>CITY OF PALM SPRINGS INCORPORATED 1928 CALIFORNIA</p>	<p><b>INITIAL STUDY/MITIGATED NEGATIVE DECLARATION</b></p>
--	--

Project Title:	College of the Desert West Valley Campus Property Transfer and Development Agreement (COD WVC PTDA)	
Case No.	INSERT CASE NO. 5.1232	
Assessor's Parcel No.	669-330-029, 669-330-025	
Lead Agency Name and Address:	City of Palm Springs 3200 E. Tahquitz Way Palm Springs, California 92262	
Project Location:	The site is located in the northern portion of Palm Springs, north of Tramview Road, east of Highway 111, south of the Chino Creek levee, and west of Indian Canyon Drive. (See Exhibit 1, Regional Location Map, Exhibit 2, Project Vicinity Map and Exhibit 3, Subject Property)	
Project Sponsor's Name and Address:	City of Palm Springs	3200 East Tahquitz Canyon Way Palm Springs, CA 92262
General Plan Designation(s):	School	
Zoning:	R-1-C	
Contact Person:	Craig A. Ewing, AICP	
Phone Number:	(760) 323-8245	
Date Prepared	June 2010	

**Description of the Project**

The proposed project is a Property Transfer and Disposition Agreement (PTDA) between the City of Palm Springs (City) and the Desert Community College District (District). California Government Code Sections 65864-65869.5 authorize local jurisdictions to establish PTDA's with developers to ensure a development process that is equitable and efficient for the local jurisdiction, the project applicant and the public.

The PTDA between the City and the District allows for the transfer of approximately 119.4± acres of land, establishes land uses, development standards, applicable conditions, restrictions and requirements for subsequent discretionary actions. The PTDA also establishes construction timelines, specifies construction phasing, and establishes funding mechanisms for the implementation of the project.

The development of the site will be governed by the College Park Specific Plan currently under development, which will detail project improvements, building locations and development standards and guidelines for the site. The details of the Specific Plan are not known at this time, and it will be accompanied by its own, specific environmental review under CEQA. Development of the subject property will also be guided by the future COD West Valley Campus Master Plan, which will tier off of the College Park Specific Plan.



**Environmental Setting and Surrounding Land Uses**

The subject property is located immediately south of the Whitewater River Floodplain. The site is currently largely vacant, with the exception of two Desert Water Agency well sites bordering Indian Canyon Drive on the eastern edge of the site. Surrounding land uses include:

**North:** Chino Creek/Whitewater River flood control levee and vacant lands within the CV MSHCP Whitewater Floodplain Conservation Area.

**East:** Indian Canyon Drive, beyond which are vacant lands, with residential development to the southeast.

**South:** James O. Jessie Highland Unity Center/Desert Highland Park and residential development associated with the Mountain Gate, Desert Highland and Desert Highland Estates neighborhoods, as well as commercial and industrial development.

**West:** Highway 111, beyond which are alluvial fans and foothills of the San Jacinto Mountains.

**Other public agencies whose approval is required**

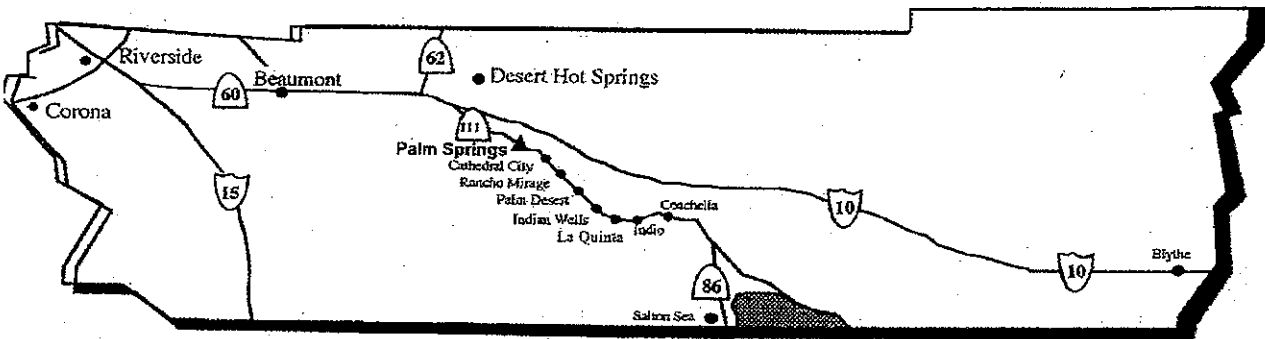
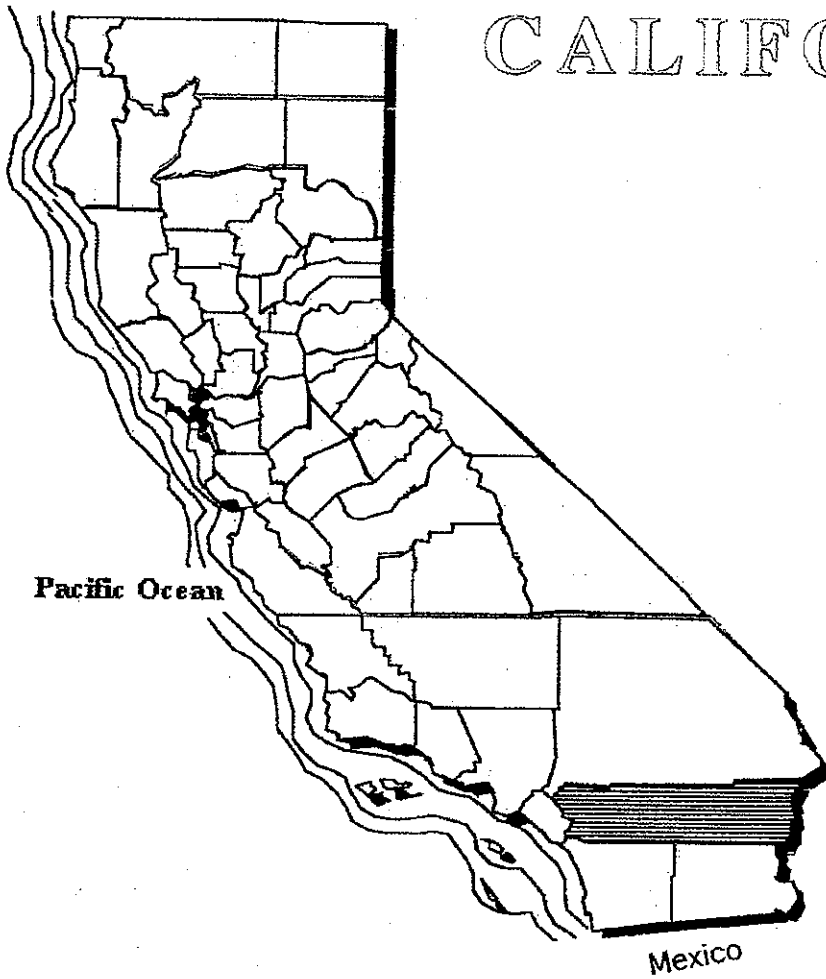
Desert Community College District

**Environmental Factors Potentially Affected:**

The environmental factors checked below would be potentially affected by this project, as indicated by the checklist and corresponding discussion on the following pages.

- |  |   |   |
|--|---|---|
| <input type="checkbox"/> Aesthetics                    | <input type="checkbox"/> Agricultural Resources             | <input type="checkbox"/> Air Quality            |
| <input type="checkbox"/> Biological Resources          | <input type="checkbox"/> Cultural Resources                 | <input type="checkbox"/> Geology/Soils          |
| <input type="checkbox"/> Hazards & Hazardous Materials | <input type="checkbox"/> Hydrology/Water Quality            | <input type="checkbox"/> Land Use/Planning      |
| <input type="checkbox"/> Mineral Resources             | <input type="checkbox"/> Noise                              | <input type="checkbox"/> Population/Housing     |
| <input type="checkbox"/> Public Services               | <input type="checkbox"/> Recreation                         | <input type="checkbox"/> Transportation/Traffic |
| <input type="checkbox"/> Utilities/Service Systems     | <input type="checkbox"/> Mandatory Findings of Significance |   |

# CALIFORNIA



# RIVERSIDE COUNTY

Date: 06.22.01

 **TERRA NOVA**<sup>®</sup>  
Planning & Research, Inc.

**City of Palm Springs**  
**Regional Location Map**  
**Property Transfer & Development Agreement**



Exhibit

1



06.22.01

 **TERRA NOVA**<sup>®</sup>  
 Planning & Research, Inc.

**City of Palm Springs**  
**Vicinity Map**  
**Property Transfer & Development Agreement**



**Exhibit**  
**2**

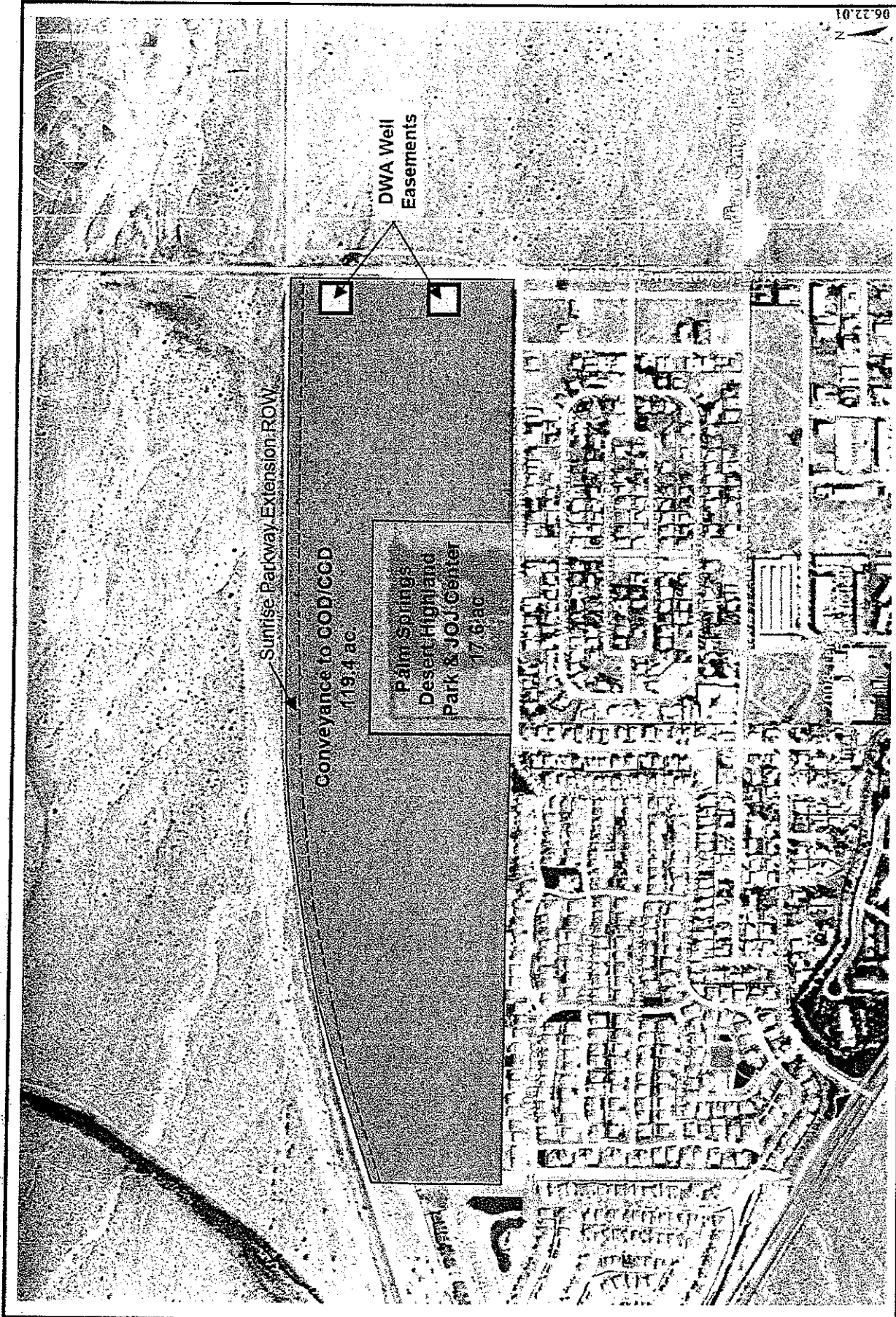


Exhibit  
3

City of Palm Springs  
Subject Property  
Property Transfer & Development Agreement

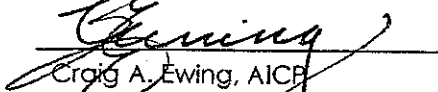
TERRA NOVA®  
Planning & Research, Inc.

**DETERMINATION:** The City of Palm Springs Planning Department

On the basis of this initial evaluation:

- I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- I find that although the proposed project could have a significant effect on the environment there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
- I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
- I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Planner's Signature

  
Craig A. Ewing, AICP  
City of Palm Springs

Date

June 22, 2010

**PURPOSE OF THIS INITIAL STUDY**

This Initial Study has been prepared consistent with CEQA Guidelines Section 15063, to determine if the College of the Desert West Valley Campus Property Transfer and Development Agreement (hereinafter referred to as the "COD WVC PTDA, or PTDA") project, as proposed, may have a significant effect upon the environment. Based upon the findings contained within this report, the Initial Study will be used in support of the preparation of a Mitigated Negative Declaration.

**EVALUATION OF ENVIRONMENTAL IMPACTS**

- 1) A brief explanation is required for all answers except "No Impact" answers that are adequately supported by the information sources a lead agency cites in the parentheses following each question. A "No Impact" answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g., the project falls outside a fault rupture zone). A "No Impact" answer should be explained where it is based on project-specific factors as well as general standards (e.g., the project will not expose sensitive receptors to pollutants, based on project-specific screening analysis).
- 2) All answers must take into account the whole action involved, including offsite as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.
- 3) Once the lead agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. "Potentially Significant Impact" is appropriate if there is substantial evidence that an effect may be significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an EIR is required.
- 4) "Negative Declaration: Potentially Significant Unless Mitigation Incorporated" applies where the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less Than Significant Impact." The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level mitigation measures from Section XVII, "Earlier Analyses," may be cross-referenced).
- 5) Earlier analyses may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration. Section 15063(c)(3)(D). In this case, a brief discussion should identify the following:
  - a) Earlier Analysis Used. Identify and state where they are available for review.
  - b) Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.
  - c) Mitigation Measures. For effects that are "Less than Significant with Mitigation Measures Incorporated," describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.
- 6) Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g., general plans, zoning ordinances). Reference to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.
- 7) Supporting Information Sources: A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.
- 8) The explanation of each issue should identify:
  - a) The significance criteria or threshold, if any, used to evaluate each question; and
  - b) The mitigation measure identified, if any, to reduce the impacts to less than significance.

and sparse vegetation. No historic buildings are located on the site. The future development of the site will be governed by a Specific Plan, which has not yet been completed. The Specific Plan, including the proposed campus master plan, will be subject to City review and conditions of approval, and potential impacts will be analyzed in detail in the Specific Plan EIR.

- c) **No Impact.** The proposed PTDA will have no impact on the visual character of the area. The future development of the site will be governed by a Specific Plan and campus master plan which have not yet been completed. The Specific Plan, including the proposed campus master plan, will be subject to City review and conditions of approval, and potential impacts will be analyzed in detail in the Specific Plan EIR.
  
- d) **No Impact.** The proposed PTDA will have no impact on light and glare. The site is primarily vacant desert land which generates no light or glare. The PTDA will not change that condition. The future development of the site will be governed by a Specific Plan and campus master plan which have not yet been completed. The project will be required to comply with Zoning Ordinance Section 93.21.00, Outdoor Lighting Standards. The Specific Plan, including the proposed preliminary campus master plan, will be subject to City review and conditions of approval, and potential impacts will be analyzed in detail in the Specific Plan EIR.

**III. AIR QUALITY**

Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations.

<b>Would the project:</b>	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Conflict with or obstruct implementation of the applicable air quality plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Result in significant construction-related air quality impacts?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Expose sensitive receptors to substantial pollutant concentrations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Create objectionable odors affecting a substantial number of people?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Generate greenhouse gas emissions either directly or indirectly that may have a significant impact on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Sources:** "City of Palm Springs General Plan", adopted October 2007; "State and Federal Ambient Air Quality Standards," California Air Resources Board, March 2008; "CEQA Air Quality Handbook", prepared by South Coast Air Quality Management District, November 1993.

**Setting**

The City and the project site are located in the Salton Sea Air Basin (SSAB). The South Coast Air Quality Management District (SCAQMD) is responsible for establishing air quality measurement criteria and relevant management policies for the SSAB and neighboring air basins.

There are several SCAQMD air quality monitoring stations at various locations in the SSAB, including one station in Palm Springs and another in Indio. These stations monitor criteria pollutants, or contaminants for which the state and federal air quality standards have been established. They include ozone,



**Sulfur Dioxide (SO<sub>2</sub>):** When high-sulfur content fuels such as coal and petroleum are burned for such uses as motor vehicle fuel combustion, chemical manufacturing plants and sulfur recovery plants, sulfur dioxide is produced. Sulfur dioxide is a colorless, pungent, extremely irritating gas that can result in airway constriction and severe breathing difficulties in asthmatics. High levels of exposure can cause fluid accumulation in the lungs and lung tissue damage.

**Particulate Matter (PM<sub>10</sub> and PM<sub>2.5</sub>):** Suspended particulate matter consists of fine, suspended particles of soil and mineral dust, soot and smoke, and aerosols, many of which are by-products of fuel combustion, tire wear, and natural wind erosion. As previously noted, particulate matter of ten microns or smaller in diameter is referred to as PM<sub>10</sub>, and particles smaller than 2.5 microns comprise PM<sub>2.5</sub>.

PM<sub>10</sub> and PM<sub>2.5</sub> may be generated by direct particle erosion and fragmentation associated with the natural process of sand migration, as well as grading and other activities associated with construction. Eroded particles may be further broken down by motor vehicles on roadways, where they are re-suspended in the air. Elevated PM levels are associated with an increase in respiratory infections and occurrences of asthma attacks. The elderly, children, and adults with respiratory or cardiovascular disease are most susceptible to the effects of suspended particulate matter.

**Lead:** Lead occurs in the atmosphere as particulate matter resulting from the manufacturing of batteries, paint, ink, and ammunition. In recent years, the elimination of leaded gasoline has reduced hazards associated with airborne lead. Exposure to lead can result in anemia, kidney disease, gastrointestinal dysfunction, and neuromuscular and neurological disorders.

Air quality is generally evaluated based on Federal and State air quality standards and regulations and guidelines developed by individual air quality management districts. Mobile sources of air pollutants are primarily controlled through Federal and State agencies, while stationary sources are regulated by the SCAQMD.

Development in the City is subject to the 2007 Air Quality Management Plan (2007 AQMP) and the 2003 Coachella Valley PM<sub>10</sub> State Implementation Plan (2003 CVPM<sub>10</sub> SIP). The AQMP establishes a comprehensive program to bring Palm Springs and the other areas within its jurisdiction into compliance with Federal and State air quality standards. CEQA requires that projects be consistent with the applicable AQMP.

Daily significance thresholds for operational and construction-related emissions, as established by SCQAMD, are shown in Table III-2.

TABLE III-2  
EMISSIONS SIGNIFICANCE THRESHOLD CRITERIA (POUNDS/DAY)

Pollutant	CO	ROG	NO <sub>x</sub>	SO <sub>x</sub>	PM <sub>10</sub>
Operational Emissions					
Pounds/Day	550	55	55	150	150
Construction Emissions					
Pounds/Day	550	75	100	150	150

Source: SCQAMD, CEQA Air Quality Handbook, November 1993

Projects in the Coachella Valley with peak (highest daily) operation-related emissions that exceed any of these emissions thresholds should be considered significant.

- a) **No Impact.** As previously discussed, the site addressed by the proposed PTDA is within the jurisdiction of the South Coast Air Quality Management District (SCAQMD). Therefore, development at the site will be governed by the 2007 AQMP and the 2003 CVPM<sub>10</sub> SIP. The PTDA, however, will have no impact on air quality management planning. The proposed PTDA would not conflict or obstruct the current SQAMD Plan, nor will it result in impacts to any air quality standard or contribute to an existing or projected air quality violation. The future development of the site, which will be subject to a Specific Plan, will be reviewed under CEQA when the Specific Plan is prepared.

IV. BIOLOGICAL RESOURCES	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
<b>Would the project:</b>				
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, or regulations or by the California Department of Fish and Game or US Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Sources:** City of Palm Springs General Plan, adopted by the Palm Springs City Council October, 2007 (Figure 5-2, "Biological Sensitivity & Conservation Areas"); "Final Recirculated Coachella Valley Multiple Species Habitat Conservation Plan and Natural Community Conservation Plan and Associated Santa Rosa and San Jacinto Mountain Trails Plan," prepared by the Coachella Valley Association of Governments, September 2007. Figure 4-11a: Whitewater Floodplain Conservation Area; "Draft Environmental Impact Statement for the California Desert Conservation Area Plan Amendment for the Coachella Valley," prepared by the U.S. Department of the Interior Bureau of Land Management, June 2002

V. CULTURAL RESOURCES	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
<b>Would the project:</b>				
a) Cause a substantial adverse change in the significance of a historical resource as defined in 15064.5?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to 15064.5?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Disturb any human remains, including those interred outside of formal cemeteries?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Sources:** City of Palm Springs General Plan, adopted by the Palm Springs City Council October, 2007; Figure 5-5, Cultural Resources: Prehistoric; Figure 5-6, Cultural Resources: Historic Archaeology

**Setting**

Most of the City has not been surveyed for prehistoric or historic archaeological resources. Portions of the City are within the Traditional Use Area of the Agua Caliente Band of Cahuilla Indians, and the potential for discovery of cultural resources exists. The downtown area of Palm Springs contains multiple state and locally significant historic resource sites, including structures such as homes, hotels and other buildings.

The City and its Sphere of Influence contain numerous areas mapped as "general known areas of historic archaeological sites," the nearest of which is mapped one mile west of the subject site, on the northeast side of Highway 111.

There are two pre-historic archaeological districts listed on the National Register of Historic Places in the City of Palm Springs. The site is located several miles north of either of these districts.

The site is located within ancestral territories of the Agua Caliente Band of Cahuilla Indians, and within one mile of two archaeological resources sites identified on the Agua Caliente Register.

There are no State-designated Historic Landmarks in the City under the California Register of Historic Resources program. There are four sites that are State-designated Points of Historic Interest within the City. None of these are located on-site or in the site vicinity.

The site is located outside of any area considered likely to contain pre-historic cultural resources as mapped in the Palm Springs General Plan. An area mapped as "likely to have isolated milling features, sparse lithic scatters, and occasional pottery" occurs approximately one mile to the southwest of the site, on the southwest side of Highway 111.

**Discussion of Impacts**

**a)-b) No Impact.** Approval of the PTDA will have no impact on either historic or archaeological resources. There are no structures other than two DWA well sites that occur on the PTDA site. The

VI. GEOLOGY AND SOILS	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
<b>Would the project:</b>				
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:				
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
ii) Strong seismic ground shaking?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
iii) Seismic-related ground failure, including liquefaction?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
iv) Landslides?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Result in substantial soil erosion or the loss of topsoil?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Sources:** "Palm Springs General Plan," approved October 2007; "Tentative Tract 28507 NEC North Palm Canyon Drive and Gateway Drive, Palm Springs California" prepared by Sladden Engineering, October 2002; "Geotechnical Investigation, Proposed Residential Tract, Mountain Gate West, Palm Springs, California," prepared by Sladden Engineering, August 2003; "Soils Survey of Riverside County, California, Coachella Valley Area," U.S. Soil Conservation Survey, September, 1980.

**Setting:** The City and project site are located in a seismically active region, in proximity to major fault systems with high earthquake-recurrence rates. Based on mapping prepared for the General Plan, the site is located approximately 1.5 miles southwest of the Garnet Hill Fault, and approximately 1 mile southeast of the South Pass Fault. It is approximately 4 miles south of the Banning Pass Fault. The site is outside any Alquist-Priolo Earthquake Fault Zone as designated by the State Geologist.

VII. HAZARDS AND HAZARDOUS MATERIALS	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:				
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Sources: "City of Palm Springs General Plan," adopted October 2007; City of Palm Springs Draft Environmental Impact Report Update," adopted October 2007

**VIII. HYDROLOGY AND WATER QUALITY**

Would the project:	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Violate any water quality standards or waste discharge requirements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Otherwise substantially degrade water quality?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map? (Source:	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
j) Inundation by seiche, tsunami, or mudflow?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- c)-e) **No Impact.** Approval of the proposed PTDA will have no impact on storm water or drainage. Development on the site will be governed by a Specific Plan and campus master plan, which will establish the intensity and location of uses. Development facilitated by the proposed PTDA will result in construction of structures and other elements of the built environment, thus increasing impervious surfaces and altering existing drainage conditions. The site is located outside of a 100-year flood zone, as mapped in the City General Plan, and immediately south of the Chino Canyon/Whitewater levee. An area mapped as 100-year flood where base flood elevations have been determined occurs north of the levee. The proposed project will be subject to City requirements for stormwater management and improvements, including any required retention or detention structures, and payment of applicable impact fees to off-set the cost of improvements to existing regional or local stormwater management facilities. The Specific Plan will include an EIR, which will address the specific impacts of proposed development when they are known.
- f) **No Impact.** Approval of the proposed PTDA will have no impact on water quality. Development on the site will be governed by a Specific Plan and campus master plan, which will establish the intensity and location of uses. The Specific Plan will include an EIR, which will address the specific impacts of proposed development when they are known.
- g)-h) **No Impact.** Approval of the proposed PTDA will have no impact on construction in flood zones. Development on the site will be governed by a Specific Plan and campus master plan, which will establish the intensity and location of uses. The site is outside a mapped 100-year flood plain as shown in the City General Plan. The Specific Plan will include an EIR, which will address the specific impacts of proposed development when they are known.
- i)-j) **No Impact.** Approval of the proposed PTDA will have no impact on dams or levees, seiche, tsunami or mudflow. The site is outside a mapped 100-year flood plain as shown in the City General Plan. The site is located south of the Chino Canyon/Whitewater levee, which is designed to impound upstream flows of the Whitewater River. The levee is regularly maintained by the Riverside County Flood Control and Water Conservation District. Potential risk associated with failure of this levee is considered to be extremely low. The Specific Plan will include an EIR, which will address the specific impacts of proposed development when they are known.

There are no large water bodies on or near the proposed campus site, and no such water bodies are proposed as part of campus design. Therefore, no impacts are expected to occur. The subject site is located far inland and is therefore not considered subject to tsunami activity.

X. MINERAL RESOURCES	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
<b>Would the project:</b>				
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Sources:** "Mineral Potential Report Portion of North-Half of Section 34 Township 3S., Range 4E., SBB&M 132.4 Acres, Palm Springs Area Riverside County, California," prepared by Terra Geosciences, April 7, 2009; "Draft Environmental Impact Statement for the California Desert Conservation Area Plan Amendment for the Coachella Valley," prepared by the U.S. Department of the Interior Bureau of Land Management, June 2002. Figure 2-7 Windparks and Sand and Gravel Mining.

**Setting**

The Coachella Valley contains a diverse range of rocks, sediment, and minerals, some of which are classified as important mineral deposits. Mineral resources in the region are largely limited to aggregate including sand, gravel, and crushed stone, although copper, limestone, and tungsten also occur. Portions of Palm Springs are identified as a resource zone for aggregate/industrial minerals by the California Division of Mines and Geology. Most of the City is located in Mineral Resource Zone 3 MRZ-3 (an area containing mineral deposits the significance of which cannot be evaluated from available data), although the northern portion of the City, including the proposed campus site, is designated MRZ-2 areas. The MRZ-2 designation indicates that significant mineral deposits are present, or where it is judged that a high likelihood for their presence exists.

**Discussion of Impacts**

**a)-b) No Impact.** Approval of the proposed PTDA will have no impact on mineral resources. Development on the site addressed by the PTDA would not result in adverse impacts to the availability of known mineral resources of value to the region and state, or to locally important mineral resources. Nonetheless, this issue will be further addressed in the CEQA EIR being prepared for the College Park Specific Plan.



**Discussion of Impacts**

- a), c), d) **No Impact.** Approval of the proposed PTDA will have no impact on noise. Development on the site will be governed by a Specific Plan and campus master plan, which will establish the intensity and location of uses. The Specific Plan will include an EIR, which will address the specific impacts of proposed development when they are known.
- b) **No Impact.** Approval of the proposed PTDA will have no impact on vibration. Development on the site will be governed by a Specific Plan and campus master plan, which will establish the intensity and location of uses. The Specific Plan will include an EIR, which will address the specific impacts of proposed development when they are known.
- e)-f) **No Impact.** Approval of the proposed PTDA will have no impact associated with airport noise. The site addressed by the proposed PTDA is located approximately 5.5 miles from the nearest airport, the Palm Springs International Airport. The General Plan shows that the 60 dBA airport noise contour extends to a point southeast of San Rafael Road and does not impact the campus site. There are no private airstrips in the area.

XIII. PUBLIC SERVICES	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
<b>Would the project result in:</b>				
Substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:				
a) Fire protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Police protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Schools?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Parks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Other public facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Sources:** "Palm Springs General Plan," adopted October 2007; "Palm Springs General Plan Update Draft Environmental Impact Report," adopted October 2007; Palm Springs Unified School District Developer's Fees, <http://www.psusd.us/Index.aspx?page=602>, accessed June 18, 2009; San Jacinto Wilderness General Information, [http://www.fs.fed.us/air/technical/class\\_1/wilds.php?recordID=65](http://www.fs.fed.us/air/technical/class_1/wilds.php?recordID=65), accessed June 18, 2009; San Jacinto Wilderness, <http://www.wilderness.net/index.cfm?fuse=NWPS&sec=wildView&wname=San%20Jacinto>, accessed June 18, 2009.

**Setting**

**Fire Protection.** Fire projection for the City of Palm Springs is provided by the Palm Springs Fire Department, which currently has five fire stations staffed by 18 firefighters per shift. Station location, staffing and equipment are listed below. Staffing is per shift.

- Station No. 441, 277 North Indian Canyon Drive: 1 ladder truck, 1 paramedic truck, each staffed with 2 firefighters per shift. There is 1 quick attack truck, staffed as needed.
- Station No. 442, 300 North Cielo Road: Command vehicle with 1 staff; Aerial platform with 3 staff. The following equipment are staffed as needed: 1,800 gallon water tender, breathing support vehicle, heavy rescue/trench rescue vehicle. This station also has airport crash trucks with 3 staff.
- Station No. 443, 590 East Racquet Club: 2 fire trucks, staffed by 2 firefighters; 1 quick attack truck, staffed as needed.
- Station No. 444, 1300 Laverne Way: 2 fire trucks with 2 staff; 1 quick attack truck staffed as needed.
- Station No. 445, 5800 Bolero Road: This station is presently closed due to budget considerations. It's the furthest station from the campus site, but it is presently not manned. When re-opened, this station is expected to again provide 1 fire truck with 2 staff; 1 reserve fire truck staffed as needed.

The approximately 400-acre Indian Canyon Heritage Park is managed by the Agua Caliente Band of Cahuilla Indians, offering hiking and equestrian trails and guided tours. The Coachella Valley Preserve System is comprised of three preserve areas encompassing approximately 30,000 acres. Of these, the Whitewater Preserve is located in Palm Springs.

City Parks

There are approximately 160 acres of developed parkland in the City, owned and operated by the City Department of Parks and Recreation. There are a total of 10 parks, including 2 local parks, 2 neighborhood parks, 3 community parks, and 3 specialty parks. Parks in the City range in size from 1.6 to 61 acres, the largest being DeMuth park. Amenities in City parks include playgrounds, picnic areas, ball and soccer fields, basketball, volleyball and tennis courts, and play structures. The City's 3 specialty parks include a dog park located behind City Hall, a wellness park with exercise stations, meditation gardens and handicapped-accessible paths, and the Village Green Heritage Center in the downtown area, which showcases two 19<sup>th</sup> century pioneer homes and the Village Green Museum. In addition to City parks, there are several public and private golf courses in the City.

The approximately 17.55-acre James O. Jessie Desert Highland Unity Center and Desert Highland Park facilities are located adjacent to the southern portion of the site addressed by the proposed PTDA.

**Discussion of Impacts**

- a)-e) **No Impact.** Approval of the proposed PTDA will have no impact on public services. Development on the site will be governed by a Specific Plan, which will establish the intensity and location of uses. The Specific Plan will include an EIR, which will address the specific impacts of proposed development when they are known.
- Development facilitated by the proposed PTDA will require the extension of infrastructure and other public services to serve the campus. The campus master plan includes alternative energy generation, which has potential to generate sufficient electricity to meet and possibly exceed campus demand. The campus will require extension of facilities such as natural gas pipelines, water distribution lines, wastewater collection lines, and telephone and cable facilities. The campus will also require solid waste collection and disposal services. These are further discussed under XVI, Utilities and Service Systems.

XV. TRANSPORTATION/TRAFFIC	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
<b>Would the project:</b>				
a) Cause an increase in traffic which is substantial in relation to the existing traffic load and capacity of the street system (i.e., result in a substantial increase in either the number of vehicle trips, the volume to capacity ratio on roads, or congestion at intersections)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Exceed, either individually or cumulatively, a level of service standard established by the county congestion management agency for designated roads or highways?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Result in inadequate emergency access?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Result in inadequate parking capacity?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Conflict with adopted policies, plans, or programs supporting alternative transportation (e.g., bus turnouts, bicycle racks)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Sources:** "City of Palm Springs General Plan," adopted October, 2007; "Institute of Traffic Engineers Trip Generation Manual," 7<sup>th</sup> Edition, 2003; Traffic Impact Analysis prepared by Terra Nova Planning & Research, Inc, July 2009; "2007 Riverside County Congestion Management Program," prepared by VRPA Technologies, Inc. for the Riverside County Transportation Commission, December 12, 2007.

**Setting**

The proposed project site is located in the northern portion of the City, approximately 2.5 miles south of U.S. Interstate 10. Major regional and local roadways in the project vicinity include State Highway 111 and Indian Canyon Drive. Highway 111 trends southeast to northwest in the project vicinity, and carries traffic to and from U.S. I-10 to the City and borders the proposed campus site to the west. Indian Canyon Drive is a north-south roadway that lies along the site's eastern boundary. Highway 111 and Indian Canyon Drive are both designated as Truck Routes in the General Plan.

Sunline Transit Agency provides fixed route bus service along Indian Canyon Drive and Highway 111 as far north as Tramview Road, which runs east to west along the southern boundary of the site.

There is an existing designated Class III Bike route within 1/2 mile of the site, along San Rafael Road.

**Discussion of Impacts**

XVI. UTILITIES AND SERVICE SYSTEMS	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
<b>Would the project:</b>				
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Comply with federal, state, and local statutes and regulations related to solid waste?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Sources:** "City of Palm Springs General Plan," adopted October 2007. "City of Palm Springs General Plan Update Draft Environmental Impact Report," adopted October 2007; John G. Rau and David C. Wooten, "Environmental Impact Analysis Handbook," 1980; personal communication, Gary Gray, Operations and Maintenance Manager, Palm Springs Wastewater Treatment Plant, June 30, 2009; "City of Palm Springs Sanitary Sewer System Management Facilities Plan", prepared by Veolia North America, adopted July 2009; "Master Drainage Plan for the Palm Springs Area," prepared by Riverside County Flood Control and Water Conservation District," revised November 1982.

**Setting**

**Wastewater:** The City of Palm Springs provides wastewater collection and treatment facilities. It contracts with Veolia Water North America for operation of a wastewater treatment to properties plant (WWTP), which is located at 4375 Mesquite Way. The plant has a capacity of approximately 10.9 mgd, and is treating approximately 6 mgd. There are no current plans for, or need for expansion of the plant's operating capacity. Operation of the WWTP is regulated by the Regional Water Quality Control Board (RWQCB). The City has estimated average wastewater flow for institutional development at 1,000 gallons per day (gpd) per acre.

**XVII. MANDATORY FINDINGS OF SIGNIFICANCE**

Does the project:	Potentially Significant Impact	Potentially Significant Unless Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**a)-c) No Impact.** Approval of the PTDA will have no impact on the environment. The PTDA only establishes the transfer of lands to the College District, and the general parameters under which the land will be developed in the future. The future development of the site will be governed by a Specific Plan, which will require analysis under CEQA when the intensity and type of development on the site is known. There will be no impacts associated with PTDA approval.