



City Council Staff Report

NEW BUSINESS

DATE: October 17, 2012

SUBJECT: APPROVE AN ACCEPTANCE OF GIFT DEED AND A LEASE AGREEMENT WITH FRIENDS OF THE PALM SPRINGS MOUNTAINS FOR A COMBINED TOTAL OF APPROXIMATELY 209.0 ACRES IN THE SANTA ROSA AND SAN JACINTO MOUNTAINS AND WHITEWATER FLOODPLAIN CONSERVATION AREAS (ANGEL COVE), SUBJECT TO OPEN SPACE COVENANTS BY THE COACHELLA VALLEY MOUNTAINS CONSERVANCY CONTAINED IN A MEMORANDUM OF UNDERSTANDING AND NOTICE OF UNRECORDED GRANT AGREEMENT

FROM: David H. Ready, Esq., Ph.D., City Manager

BY: Community & Economic Development Department

SUMMARY

This action would accept a Gift Deed of approximately 180 acres and a Lease of approximately 30 acres from the Friends of the Palm Springs Mountains (FOPSM) for approximately 209.0 acres in the Santa Rosa and San Jacinto Mountains and Whitewater Floodplain Conservation Areas, an area commonly known as Angel Cove. The property is on both sides of Highway 111 at the northern edge of the Chino Cone and includes the well-known Shiprock outcropping. On September 10, 2012 the Coachella Valley Mountains Conservancy (the "Conservancy") approved a local assistance grant to FOPSM for the acquisition of the property, with the understanding it would be transferred to the City of Palm Springs for long-term stewardship.

RECOMMENDATION:

1. APPROVE AN ACCEPTANCE OF GIFT DEED AND A LEASE AGREEMENT WITH FRIENDS OF THE PALM SPRINGS MOUNTAINS FOR A COMBINED TOTAL OF APPROXIMATELY 209.0 ACRES IN THE SANTA ROSA AND SAN JACINTO MOUNTAINS AND WHITEWATER FLOODPLAIN CONSERVATION AREAS (ANGEL COVE), SUBJECT TO OPEN SPACE COVENANTS BY THE COACHELLA VALLEY MOUNTAINS CONSERVANCY CONTAINED IN A MEMORANDUM OF UNDERSTANDING AND NOTICE OF UNRECORDED GRANT AGREEMENT

ITEM NO. 5A

2. Authorize the City Manager to execute all documents as reasonably necessary to effectuate the Agreement, in a form approved by the City Attorney.

BACKGROUND

The Friends of the Palm Springs Mountains (FOPSM) was formed as a non-profit organization in 2005 in response to proposed development of the Chino Cone. They have been active in a number of efforts to acquire as much of the Chino Cone as possible to ensure its long-term future as an open-space conservation area, free from development pressures.

The subject property consists of approximately 209 acres at the foot of the Chino Cone and also includes the mountainous interface with the alluvial fan and extends across Highway 111 to the north, into the Whitewater Floodplain Conservation Area. The subject property spans two different conservation areas of the CVMSHCP and will provide continuity of conservation ownership in the vicinity. This acquisition will contribute to the state portion of the required conservation acreage outlined in the CVMSHCP.

FOPSM and the Conservancy intend that the land be preserved in perpetuity for open space and/or recreation with future specific uses yet to be determined. The Conservancy approved a local assistance grant to FOPSM not to exceed \$1,475,000 for the acquisition of these parcels (APNs 669-230-005, 669-290-007, 669-290-008, 669-290-009, 669-290-010, 669-290-012, 669-310-002 and 669-310-003). In addition, the Conservancy has added \$6,500 to the grant for appraisal and closing costs. This parcel currently belongs to a landowner who has been identified as a willing seller.

This property is within the city limits of Palm Springs and the City has expressed support for protecting this area. FOPSM has requested that the City to take ultimate title and the long-term management responsibility of the property. The options were that the FOPSM would either assign the purchase to the City in escrow using Conservancy grant funds for the purchase or subsequently donate the property to the City after close of escrow. It was decided that the latter process was simpler and provided the same result. The standard Conservancy "Prop. 84" grant terms and restrictions will apply to the property as documented in the Notice of Unrecorded Grant Agreement.

Gift Deed and Lease

A portion of the property would be leased to the City by FOPSM, rather than gift deeded, for a period of 15 years, with an automatic grant to the City at the end of that period. The purpose of separating those parcels from the larger gift deed property is that the FOPSM is pursuing additional non-traditional efforts to acquire more land nearby and feel they need ownership of that portion of the site for related grant activities. FOPSM will donate the approximately 180 acres to the City and retain ownership of the approximately 30 acres until future use of the property has been

determined and may elect, in the future, to donate those 30 acres or to manage and control those acres at any time prior to the automatic dedication.

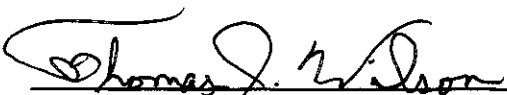
City will receive all the land in its present condition. There are no known environmental contamination issues on the site. The Lease gives the City lease rights over the property except for the future grant activities of FOPSM, and allows the City to maintain the property as open space under the requirements of the MOU, Notice of Unrecorded Grant Agreement (NUGA), and Grant Agreement between FOPSM and the Conservancy. The Gift Deed and Lease will also incorporate the Agreement for Purchase and Sale between FOPSM and Seller (August 29, 2012), as well as the Conservancy's Resolution 2012-13 dated September 10, 2012, into the agreements.

Both the Gift Deed area and the Lease area would be subject to the NUGA and MOU between FOPSM and the Conservancy. The Lease area is in the southeastern corner of the parcel, except that the City shall create a legal parcel of approximately 200 feet from the property line at Highway 111 and acquire that strip immediately through the Gift Deed, in addition to the larger portion of the property acquired by Gift Deed. It is estimated that about 30 acres of the 209 acres would be under the Lease. The City will manage all 209 acres as open space and will work with FOPSM to develop a management plan. If FOPSM proposes an activity on the Lease site that would subject any of the Grant to the Repayment Provisions under the MOU and NUGA, it would be FOPSM (and not the City) that would bear any potential repayment obligation.

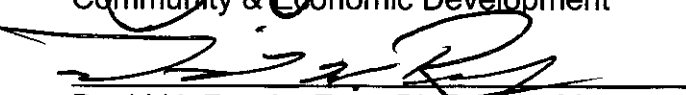
There are no "out-of-pocket" costs to the City from this transaction. All of the acquisition costs, including escrow fees, are paid through the grant from the Conservancy. The only financial obligation of the City at this point is the ongoing "maintenance" of the site which is quite minimal. Future joint efforts to acquire more property or to work on a long-term management plan would be handled in future budget years.



John S. Raymond, Director
Community & Economic Development



Thomas Wilson, Assistant City Manager



David H. Ready, Esq., Ph.D., City Manager

Attachments:

1. Map of the Property

