



# Authorization to Purchase Property in Palo Verde Region subject to a Lease Reservation

Real Property & Asset Management Committee

Item 7-6

September 14, 2021

# Service Area and CRA Map



# Location Map



# PV Property Evaluation Factors

- Overall location and use of Priority 1 water
- Water toll acreage
- Adjacency/contiguity to existing Metropolitan properties
- Purchase price
  - Appraised value, strategic needs, encumbrances, etc.
- Potential tenants
- Following Program enrollment



# Memorandum of Understanding (MOU)

- Metropolitan and PVID
- 2001
- Established the Property Utilization Committee
- Goal of providing for the use of the 2001 Metropolitan-acquired property “in a manner which best benefits Metropolitan, PVID and the Palo Verde Valley community”

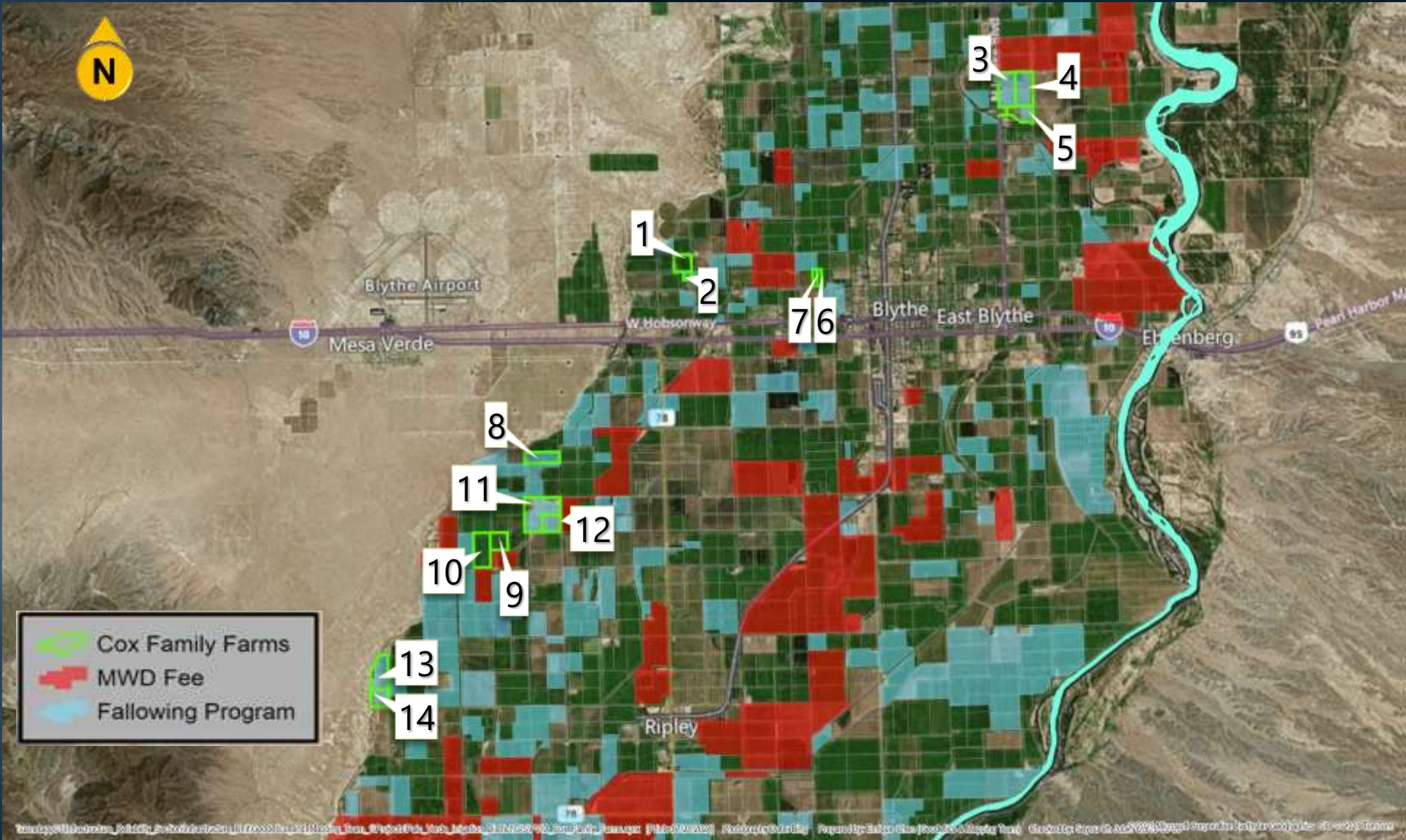
MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA  
AND  
PALO VERDE IRRIGATION DISTRICT  
REGARDING REAL PROPERTY IN THE PALO VERDE VALLEY

This Memorandum of Understanding (hereinafter, the “MOU”) is entered into by and between The Metropolitan Water District of Southern California (“MWD”) and the Palo Verde Irrigation District (“PVID”).

Recitals

- A. MWD is a special district of the State of California engaged in transporting, storing and distributing water in the counties of Los Angeles, Orange, Riverside, San Bernardino, San Diego and Ventura.
- B. PVID is a special district of the State of California engaged in furnishing Colorado River water for irrigation to the landowners of its service area in the counties of Riverside and Imperial.
- C. MWD is the purchaser of approximately 16,000 acres of real property (the “Property”) owned by San Diego Gas & Electric Company in the Palo Verde Valley, within and outside PVID’s service area.

# Site Map



# Subject Property Details

- Cox Family Farms, LLC
- Up to 665 water toll acres (702 gross acres)
- About two-thirds of the acres are enrolled in the Fallowing Program
- Half of the parcels are contiguous to Metropolitan-owned properties
- Farmed by Coxco, LLC



# Potential Benefits

- Ensure reliability of Colorado River water supplies
- Encourage innovative farming
- Land use preservation
- Fallowing Program
- Lease revenue and fallowing payment savings







# CLOSED SESSION

