



● **Board of Directors**

Real Property and Asset Management Committee

9/13/2022 Board Meeting

7-9

Subject

Authorize granting a new ten-year license agreement to Valley-Wide Recreation and Park District for the continued operation of a trail on Metropolitan fee-owned property in the city of Hemet and county of Riverside California Assessor Parcel Numbers; 454-070-016; 454-140-029; 454-140-033; 454-140-035, -036, -037; 454-160-001; 454-160-010, -011, -012, -013, -014, -015, -016; 454-280-024; 454-280-029; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

This action authorizes the General Manager to enter into a new, ten-year license agreement with Valley-Wide Recreation and Park District (Valley-Wide) at Diamond Valley Lake (DVL) (**See Location Map in Attachment 1**). In September 2017, Metropolitan granted Valley-Wide a one-year lease, renewable for up to five years, under the General Manager's authority to operate a walking/running trail (trail) adjacent to the existing Valley-Wide park facility. This lease agreement expired on August 31, 2022. Valley-Wide is requesting a new ten-year license agreement under mutually beneficial terms and conditions for the continued operation of the trail. This license agreement will allow them to offer expanded recreational opportunities that complement their existing onsite recreation components. This recreational trail will contribute to increased secondary uses of Metropolitan-owned property while advancing Metropolitan's objective of enhancing recreational amenities at DVL.

Details

Background

Metropolitan established the DVL East Recreation Area to provide public access to the recreational, natural, and cultural resources at DVL. Valley-Wide is a special district in the county of Riverside that operates public parks, recreational facilities, and programs, including Diamond Valley Lake Community Park and Aquatic Center at the DVL East Recreation area. Metropolitan granted Valley-Wide a ground lease for this East Recreation area in 2001, which offers a range of recreation activities to members of the local community, such as organized youth baseball, softball, soccer, aquatic activities, and other recreation amenities. In 2017, Metropolitan granted Valley-Wide an additional lease to operate a trail on the property adjacent to the community park facility. This lease agreement is at the end of its term, and staff is recommending a new, ten-year license agreement that will enable Valley-Wide to continue its use of the property as a trail and to host cross-county and other local running events that serve schools, fire/law enforcement, and veteran support organizations.

Valley-Wide's use of Metropolitan property under this license is limited to the path of the existing trail, which totals 5.9 acres. The trail site is located near an area that has seen increased dumping and trespassing incidents that require valuable district resources to redress. Increasing the recreational use of this land will discourage unauthorized uses on the property. Granting this license agreement will affirm Metropolitan's commitment as a community partner while reducing the costs of protecting and managing Metropolitan-owned lands.

In 2017, Metropolitan became signatory to the Diamond Valley Lake Memorandum of Intent (MOI) to partner with public recreation agencies and community partners to enhance access to recreational amenities at DVL. Therefore, this proposed use is in alignment with the objectives of the MOI.

Staff has concluded that it is mutually beneficial to waive the appraised license fee value of this property and recommends replacing the existing lease structure with current Metropolitan standard license provisions. Staff evaluation has determined that this agreement will not interfere with Metropolitan's operations or facilities in the area.

The proposed agreement will have the following key provisions and benefits:

- Subject to Metropolitan's paramount rights reservation.
- Ten-year term.
- License is mutually beneficial by increasing public recreational opportunities while reducing unauthorized dumping and trespassing abatement costs to Metropolitan.
- Licensee is responsible for trail maintenance.
- Metropolitan will retain the right to cancel the license with 12 months' notice if a preferable long-term use for this property is identified.

Policy

Metropolitan Water District Administrative Code Section 8230: Grants Real Property Interests

Metropolitan Water District Administrative Code Section 8231: Appraisal of Real Property Interests

Metropolitan Water District Administrative Code Section 8232: Terms and Conditions of Management

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is categorically exempt under the provisions of CEQA and the State CEQA Guidelines. The proposed action consists of the leasing, licensing, maintenance, and operating of existing public or private structures, facilities, and equipment with negligible or no expansion of use beyond that existing at the time of the lead agency's determination. In addition, it will not have a significant effect on the environment. Accordingly, this proposed action qualifies as a Class 1 Categorical Exemption (Section 15301 of the State CEQA Guidelines).

CEQA determination for Option #2:

None required

Board Options

Option #1

Authorize granting a new ten-year license agreement to Valley-Wide Recreation and Park District for the continued operation of a trail on Metropolitan fee-owned property.

Fiscal Impact: Metropolitan will forgo the appraised value of the license fee, estimated between \$2,100 to \$4,100 per year. Foregoing the license fee will be offset by the reduced costs to abate illegal dumping and trespassing.

Business Analysis: Enhances public recreation opportunities and promotes visitation to all Diamond Valley Lake facilities. Increases the authorized use of the property, leading to reduced illegal dumping and trespassing activity.

Option #2


Do not authorize the license agreement.

Fiscal Impact: Metropolitan may have increased costs to remedy illegal dumping and trespassing.

Business Analysis: Metropolitan would forego opportunities to enhance recreational offerings to the public.

Staff Recommendation


Option #1



Lilly L. Shraibati
Group Manager
Real Property Group

8/25/2022

Date



Adel Hagekhalil
General Manager

8/26/2022

Date

Attachment 1 – Location Map

Ref# rpd12690479

General Location Map

