

CITY COUNCIL/REDEVELOPMENT AGENCY

TUESDAY, FEBRUARY 16, 2010

AGENDA ITEM No. 27

POLICY AND ACTION

MOTION

Authorize the City Manager to Enter into a Cooley Landing lease agreement with Midpeninsula Regional Open Space District (Lily Lee, Project Consultant-Cooley Landing)



CITY OF EAST PALO ALTO

OFFICE OF THE CITY MANAGER

2415 University Avenue • East Palo Alto, CA 94303-1164

DATE: February 16, 2010

TO: Honorable Mayor and Members of the East Palo Alto City Council
Chair and Members of the City Council

VIA: Alvin D. James, City Manager

FROM: Lily Lee, Cooley Landing Project Manager

SUBJECT: Cooley Landing proposed lease agreement

RECOMMENDATION:

Staff recommends that the City Council authorize the City Manager to execute the attached lease agreement with the Midpeninsula Regional Open Space District (MROSD) for the Cooley Landing Project.

BACKGROUND:

East Palo Alto leaders and residents have had a long term interest in opening Cooley Landing to the public. Ownership of Cooley Landing is complex. Cooley Landing is divided into three portions. In March, 2006, Peninsula Regional Open Space Trust (POST) gave the middle portion of the property to the City with a deed restriction. The property the City now owns is a narrow strip 127 feet wide running the length of the middle of Cooley Landing, at the end of Bay Road, within the jurisdictional boundaries of the City of East Palo Alto. It is approximately 6.62 acres, of which about half is above water. The City property is practically surrounded by the Ravenswood Open Space Preserve, which is owned by Midpeninsula Regional Open Space District (MROSD). Cooley Landing is only a tiny part of the MROSD's parcels, which include a 115 acre former salt pond. Their parcels are within the jurisdictional boundaries of Menlo Park. *(See attached figure showing ownership and jurisdiction boundaries).*

Staff have been meeting regularly with the MROSD and steadily building our collaborative relationship to implement the Cooley Landing project. As a result, MROSD has contributed the following: created a Board Ad Hoc Committee for Cooley Landing, committed funding toward design, voted to make this project a priority in its annual Action Agenda, provided significant technical assistance, and MROSD staff are asking its Board to consider entering into the attached lease agreement with the City.

Project Funding Assistance Opportunity

The State of California has a parks grant program using bond funds from Proposition 84 (**Statewide Park Development and Community Revitalization Program of 2008**) that could provide up to \$5 million, with no match requirement, for construction of the Cooley Landing project as ultimately approved. This is a highly desirable opportunity, but the City will have to move quickly to take advantage of it. The deadline to apply is March 1, 2010. One of the requirements of the grant is to have site ownership or a land tenure agreement for long-term site control with specific restrictions to ensure long term use as public open space.

ANALYSIS:

MROSD cannot as yet consider transfer of the Cooley Landing portions of its parcels to the City, particularly within the timeframe assumptions that the City has been proceeding under to date. Without legalizing them as separate parcels, any transfer, whether by grant or quitclaim, would violate the Subdivision Map Act. Consideration of a land division, per the requirements of the Subdivision Map Act, would require going through the California Environmental Quality Act (CEQA) approval process. The City will commence the CEQA process after going through further community involvement processes and finalizing a Vision Plan this summer. The environmental evaluation prepared in connection with the Vision Plan could potentially be structured to also anticipate issues that might be associated with a future land division application.

Site control: In the mean time, the attached draft lease agreement would give site control to the City in phases to allow the community the time necessary to determine its Vision Plan by summer 2010. It also makes the City eligible to apply for the State parks grant. During Phase 1 planning, the City would, under the lease, have full access to the site for this purpose, including soil testing and community tours and events at any time of day that would support planning and fundraising. The second phase is construction. The third is long-term operations.

Duration and renewal: The proposed lease would last 30 years, with the option for extension. It allows us to qualify for the Proposition 84 grant short term and enables the process to keep moving while the community determines the ultimate details of the Vision Plan for Cooley Landing over the next six months of community meetings.

Operation and Maintenance: Another requirement for the Proposition 84 grant program is for the grantee to commit to long-term operation and maintenance. The grantee can make any arrangements to delegate or share tasks with other organizations, but the application requires a Council resolution committing to bear the ultimate responsibility. MROSD staff have indicated informally that they would be willing to consider sharing these responsibilities once we establish project needs. But the full needs will be determined by the ultimate design, which will come out of the community-driven process that we have not yet completed. The phased approach in the lease calls for both parties to revisit the division of duties at each phase of the process and renegotiate terms. In the current planning phase, the new requirements the City would take over are (1)

opening the MROSD gate on Bay Road by Infinity Salvage in the mornings during regular City business days and (2) mowing the grass 50 feet from the building, per fire code requirements. The MROSD staff, currently based in the foothills, currently travels one hour each way to open and close the gate every morning and evening. MROSD staff would still close the gate every night and still open it on weekends, City holidays, and any days the City calls to report it cannot open it.

FISCAL IMPACT:

Other than staff activities in connection with opening the gate during mornings and periodic mowing of grass, there are no impacts on the General Fund associated with entering into a lease with the MROSD at this time.

Attachments:

Exhibit A: Draft lease agreement

Exhibit B: Figure showing ownership and jurisdiction