

EXECUTIVE OFFICER SUMMARY REPORT
August 11, 2006

ITEM: **11**

SUBJECT: **Real Estate Acquisition Projects (11) in Various Stages of Investigation or Development and Request for Prop 40 Funds.**
The Executive Officer will update the Board on the status of 11 real estate projects currently in various stages of investigation or development and in need of funding. The Board may consider adoption of Tentative Resolution 06-08. All acquisition projects are included in the Conservancy's adopted Five Year Strategic and Infrastructure Plan (Program 1, Projects 1.1, 1.2, 1.5; Programmatic Issues, Project 2).

PURPOSE: Consideration and possible adoption of Tentative Resolution 06-08 supporting the San Diego River Park Foundation's use of Prop 40 funds to acquire Eagle Peak Preserve Phase 3 and endorsing the Foundation's application to the Resources Agency.

Make Governing Board aware of numerous potential real estate acquisition projects currently under investigation or development and provide status update if time permits.

DISCUSSION: I am currently in various stages of investigating or developing numerous (>11) potential real estate projects on behalf of the Conservancy. Approximately ten projects are fully within the Conservancy's jurisdiction; another six are mostly or entirely outside of the jurisdiction.

Eagle Peak Preserve Acquisition / Tentative Resolution 06-08

The Eagle Peak Preserve Phase 3 Acquisition is the most developed of the projects currently underway. The San Diego River Park Foundation (Foundation) has prepared a Prop 40 application for the Eagle Peak project which is ready for submittal to the Resources Agency. As currently proposed, the Prop 40 applicant is the Foundation, who is lead on the project and will hold fee title to the property.

The Conservancy's role will be to formally support the use of Prop 40 money for this purpose (i.e., adopt tentative Resolution 06-08). The Eagle Peak Preserve project is fully consistent with the Conservancy's statutory mission and is included in the

Conservancy's *Five Year Strategic and Infrastructure Plan* (Program 1, Project 1.1).

Mostly Outside Conservancy Jurisdiction

Unfortunately, it was recently brought to my attention that approximately 175 of the total 180 project acres are outside the Conservancy's jurisdiction; the remaining five acres are within. Pursuant to the Deputy Attorney General's opinion¹, the decision to proceed with a project which straddles the jurisdictional boundary is a policy call to be made by the Governing Board. Until or unless the Board makes a policy decision that it no longer wants to (1) work partially or fully outside of its jurisdiction; and (2) serve only as a source (or pass-through) of funds for project partners, it would be consistent with past Board decisions to approve this project. Precedence for this project was set when the Board approved the use of Prop 40 funds for the acquisition of the first Eagle Peak property by the Foundation in September 2004. The first property was entirely outside the Conservancy's jurisdiction by approximately 400 feet. (Distances and acreages in the Eagle Peak Preserve area are rough approximations since official land surveys have not yet been undertaken.)

Given the Board's precedent, I recommend approval of the Eagle Peak Phase 3 Acquisition project because it (1) is fully consistent with the Conservancy's statute and adopted Five Year Plan; (2) advances the mission and purposes of the Conservancy; (3) maintains the continuity of the San Diego River Park currently under assemblage; and (4) is important to support since it provides water quality protection to the San Diego River and adjacent lands within our jurisdiction. Furthermore the San Diego River Gorge Trail East (see Agenda Item 10) will lead to the Eagle Peak Preserve area which will serve as an important San Diego Park trailhead.

Eagle Peak Project Details

This project is the acquisition of 180 acres of land within the San Diego River Watershed by the San Diego River Park Foundation. The land is currently undeveloped except for a County of San Diego maintained public dirt road (Eagle Peak Road) which traverses the property. The project will be to complete the acquisition of this property and to install a dedication sign to acknowledge project participants.

This acquisition consists of three parcels under the same ownership. These parcels are a critical element in a larger effort to

¹ Attorney/Client Communication, San Diego River Conservancy: Property Acquisition Issues, September 29, 2005

establish a wildlife and recreation area of more than 550 acres of land entitled the Eagle Peak Preserve. More than 300 of these acres have already been acquired. A previous River Parkways grant was used in an earlier acquisition (see Executive Officer's Report 5b.).

The proposed acquisition is surrounded on three sides by publicly owned lands of the Cleveland National Forest. Acquisition of a fourth parcel under this ownership is being pursued by the Foundation with privately raised funds.

This project meets *two* statutory objectives (major programs) embodied in the Conservancy's *Five Year Strategic and Infrastructure Plan*: Program 1, Land Conservation and Program 2, Recreation and Education. Protection of Eagle Peak was specifically included in Program 1, Project 1.1, Conserve 250 Acres in the Headwaters. In addition, cultural sites have been identified on the fourth parcel being pursued by the Foundation with private funds.

The acquisition of this property will provide connections to a future staging area for the San Diego River Gorge Trail as the Eagle Peak Preserve will provide a good starting point to begin a walk on the San Diego River Gorge Trail from the east, discussed in item 10a. It provides for public viewing of the spectacular views of the San Diego River Gorge. This is the only place in the San Diego River Gorge where spectacular views of the gorge are accessible from a vehicle along a public road (Eagle Peak Road).

Once the property is acquired, existing trails will be enhanced and interpretive signage will be installed as part of a separate project. The Foundation will work with the National Forest Service and the Conservancy to install appropriate regulatory and informational signage.

LEGAL CONCERNS: None

FISCAL IMPACT: None

SUPPORTING
DOCUMENTS:

1. Tentative Resolution 06-08
2. *Real Estate Acquisition Projects in Various Stages of Investigation or Development*. Note: this document is contained in Board Member Agenda packets only and is not subject to public disclosure pursuant to the Public Records Act, Government Code Section 6254(h).

RECOMMENDATION: Adopt Tentative Resolution 06-08.