



- RPDM Quarterly Report Ending June 30, 2014

Summary and Accomplishments

This report provides an update on real estate activities for the period April 1, 2014 through June 30, 2014.

During this reporting period:

- Sixteen transactions were executed, including compatible secondary use requests; office leases, parking permits, access permits, construction easements, infrastructure permits and easements, and quitclaims.
- Staff completed a report on market trends related to the Palo Verde Valley Following Program.
- Staff provided property research support to Engineering Services related to the maintenance of drainage channels near Metropolitan's Perris Bypass Pipeline.
- Staff provided property research, valuation, and planning support to Bay Delta Initiatives related to potential near- and long-term projects in the Delta.
- Staff completed a cost study in support of the Etiwanda Pipeline Lining Repair Project. The cost study provided a range of value for 16 properties for two different temporary easement scenarios per property.
- Staff reviewed a cost study prepared by an outside consultant in support of the Right of Way and Infrastructure Protection Program for Orange County. The cost study provided a range of value for 22 project sites for permanent and temporary easements.

Purpose

Metropolitan Water District Administrative Code Section 2720: General Manager's Quarterly Reports
Metropolitan Water District Administrative Code Section 8257: Quarterly Reports

Attachments

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| Attachment 1 | Deeds and grants accepted by Metropolitan to use others' privately-owned or publicly-owned real property |
| Attachment 2 | Leases and permits issued to other to use Metropolitan-owned land |
| Attachment 3 | Deeds granted to others that provide for compatible uses of Metropolitan-owned land or disposal of surplus property |

Detailed Report

Completed Transactions

Deeds and Grants Accepted by Metropolitan

[Attachment 1](#) is a listing of two agreements that were accepted.

An entry permit was obtained to perform site inspections, environmental surveys, and land appraisals for the Etiwanda Pipeline North Liner Repairs.

A quitclaim was accepted from the San Bernardino County Flood Control District (SBCFCD) which extinguished a flood control easement over Metropolitan's Etiwanda Pipeline. The SBCFCD was clearing some unused flood control easements.

Board Report (RPDM Quarterly Report Ending June 30, 2014)

Leases and Permits Granted

Twelve transactions were executed and issued during this reporting period (see [Attachment 2](#)). These instruments allow others a compatible secondary use of Metropolitan-owned land. The agreements include two leases, four lease amendments, five entry permits, and one entry permit amendment, all of which conform to Administrative Code provisions established by Metropolitan's Board.

Staff executed one short-term permit for parking at the Metropolitan Headquarters Building in conjunction with the 75th Union Station Anniversary event being held at Union Station train terminal and two short term permits for parking at Metropolitan's Sunset Garage on Alpine Street in connection with local film productions.

Bruno Farms, Inc. was issued an entry permit to allow for access and sheep grazing on various areas east of Diamond Valley Lake.

A lease previously granted to California Department of Fish and Game was amended to extend the term to allow for continued entry onto portions of the Lake Mathews Multi-Species Habitat Reserve to observe and study wildlife and habitat.

A lease previously granted to Cingular Wireless was amended to allow for equipment modification on a lattice tower and the installation of a new generator for the operation and maintenance of an existing telecommunications facility near Metropolitan's Iron Mountain Pumping Plant.

A lease previously granted to the City of Claremont near the Foothill Feeder/Rialto Pipeline was amended to update the language to Metropolitan's current standard terms and conditions.

Lennar Homes was issued an entry permit allowing access to construct road improvements to service a residential development adjacent to Metropolitan's Foothill Feeder/Rialto Pipeline right of way in the city of Fontana. Upon completion of the improvements, and approval by Metropolitan's Board, a permanent easement will be granted to the city of Fontana for an additional fee.

MWH Americas, Inc. was granted a two-year office lease on the third floor low rise at the Metropolitan Headquarters Building.

Rio Rancho Towne Center II, LLC, was granted a lease allowing for parking, landscaping, access, and utility purposes in conjunction with a retail development adjacent to Metropolitan's Yorba Linda Feeder in the city of Pomona.

A lease previously granted to Urban Park Concessionaires was amended to extend the term for the operation, management and maintenance of the Diamond Valley Lake Marina and Lakeview Trail.

A lease previously granted to The Western Center Community Foundation was amended to allow for additional space for administrative offices and increase the rent at the Diamond Valley Lake Visitor Center in conjunction with the operation of the public charter school.

Deeds Granted to Others

[Attachment 3](#) lists two agreements during this reporting period.

The State of California, Department of Water Resources was assigned an access easement on a portion of the Colorado River Aqueduct right of way near Lake Perris in the county of Riverside.

A permanent easement was granted to San Bernardino County Flood Control District for public storm drain purposes on a portion of the Foothill Feeder/Rialto Pipeline right of way in the city of Upland.

**Deeds, Grants and Leases Accepted
During 4th Quarter of FY 2013/14
April 1, 2014 through June 30, 2014**

GRANTOR	ACREAGE	TYPE	TERM	USE	RECORDING DATE	COSTS
Fontana, City of	2.7 acres	Entry Permit	2 weeks	Provides for permission to perform site inspections, environmental surveys, and land appraisals for the Etiwanda Pipeline North Liner Repairs	n/a ⁽¹⁾	\$0 ⁽²⁾
San Bernardino County Flood Control District	0.52 acre	Quitclaim Deed	Permanent	Extinguished a flood control easement over Metropolitan's Etiwanda Pipeline ⁽³⁾	5/23/2014	\$0 ⁽⁴⁾

TBD = To be Determined

n/a = Not Applicable

⁽¹⁾ Recording not required

⁽²⁾ No compensation due to mutual benefit consideration.

⁽³⁾ The San Bernardino County Flood Control District was clearing some unused flood control easements.

⁽⁴⁾ This quitclaim extinguished a flood control easement over Metropolitan's property for no charge.

**Leases and Permits Issued
During 4th Quarter of FY 2013/14
April 1, 2014 through June 30, 2014**

LESSEE	ENTITY TYPE	ACREAGE	TYPE	TERM	USE	FEE/RENT	FREQUENCY
Bruno Farms, Inc. (RL 3383)	Private	850 acres	Entry Permit	3 months	Allows for access and sheep grazing purposes on a portion of property east of Diamond Valley Lake	\$5,500	One Time
California Department of Fish and Game (RL 2922)	Public	5,366 acres	Amendment No. 4 to Entry Permit	Year to Year	Extension of the term to allow for continued entry onto portions of the Lake Mathews Multi-Species Habitat Reserve to observe and study wildlife and habitat	\$0 ⁽¹⁾	n/a
Cingular Wireless, LLC (RL 3134)	Private	0.06 acre	Amendment No. 1 to Lease	15 years ⁽²⁾	Allows for equipment modification on a lattice tower and the installation of a new generator for the operation and maintenance of an existing telecommunications facility near Metropolitan's Iron Mountain Pumping Plant	\$3,500	Monthly
Claremont, City of (RL 399)	Public	5,890 acres	Amendment No. 3 to Lease	40 years ⁽³⁾	Allows for update to current standard terms and conditions on a lease near the Foothill Feeder/Rialto Pipeline right of way	\$592	Annual
Lennar Homes (RL 3382)	Private	3.42 acres	Entry Permit	1 year	Allows for access to construct road improvements to service a residential development adjacent to Metropolitan's Foothill Feeder/Rialto Pipeline right of way in the city of Fontana ⁽⁴⁾	\$21,000	One Time
MWH Americas, Inc. (RL 3370)	Private	740 RSF ⁽⁵⁾	Lease	2 years	Allows use of office space on the third floor low rise at Metropolitan Headquarters Building	\$1,591	Monthly
Morlin Asset Management (RL 3379)	Private	n/a ⁽⁶⁾	Entry Permit	1 day	Allows use of parking spaces at 700 North Alameda Street in conjunction with the 75th Union Station Anniversary event being held at Union Station train terminal	\$900 ⁽⁷⁾	One Time
Park Pictures (RL 3392)	Private	n/a ⁽⁶⁾	Entry Permit	1 day	Allows use of parking at Metropolitan's Sunset Garage on Alpine Street in connection with a local film production	\$2,200 ⁽⁷⁾	One Time
Prodco, Inc. (RL 3388)	Private	n/a ⁽⁶⁾	Entry Permit	5 days	Allows use of parking at Metropolitan's Sunset Garage on Alpine Street in connection with a local film production	\$4,000 ⁽⁷⁾	One Time
Rio Rancho Towne Center II, LLC (RL 3207)	Private	0.915 acre	Lease	30 years ⁽⁹⁾	Allows for parking, landscaping, access, and utility purposes in conjunction with a retail development adjacent to Metropolitan's Yorba Linda Feeder in the city of Pomona ⁽¹⁰⁾	\$30,000	Annual
Urban Park Concessionaires (RL 3212)	Private	48.8 acres	Amendment No. 3 to Lease	2 years 5 months	Extends term for the operation, management, and maintenance of the Diamond Valley Lake Marina and Lakeview Trail	Percentage Rent ⁽¹¹⁾	Monthly
Western Center Community Foundation dba Western Science Center (RL 3109)	Non-Profit ⁽¹²⁾	4,966 square feet	Amendment No. 4 to Lease	2 years	Allows for use of additional space for administrative offices and increases rent at the Diamond Valley Lake Visitor Center in conjunction with the operation of the public charter school	\$6,250	Monthly

TBD = To be Determined

n/a = Not Applicable

⁽¹⁾ Mutual benefits of Metropolitan's receipt of on-site investigative studies and reports

⁽²⁾ Initial term began September 1, 2010 for 5 years with two 5-year options to renew; total term is 15 years

⁽³⁾ Initial term began March 1, 1977 for 40 years

⁽⁴⁾ Upon completion of the improvements, with Board approval, a permanent easement will be granted to the city of Fontana

**Leases and Permits Issued
During 4th Quarter of FY 2013/14
April 1, 2014 through June 30, 2014**

An additional fee will be charged for the easement

⁽⁵⁾ RSF = Rentable Square Feet

Rentable Square Feet (RSF) is the area of a building, floor or suite used as the basis for calculating Base Rent which includes a pro-rata portion of the Building Common Area. Usable Square Feet (USF) is the total space occupied. Typically, the RSF is larger than USF because of lessee's use of common areas in the building such as lobbies and cafeteria

⁽⁶⁾ Temporary use of parking spaces at Metropolitan Headquarters Building

⁽⁷⁾ An additional \$500 refundable security deposit was collected and subsequently returned

⁽⁸⁾ Parking limited to 2nd and 3rd floor garage areas at the Sunset Garage facility in Los Angeles

⁽⁹⁾ Long term lease approved by Metropolitan's Board of Directors in April 2014

⁽¹⁰⁾ The parking is restricted to secondary, overflow, and non-code required only

⁽¹¹⁾ Rent to be calculated monthly as seven percent (7%) of gross receipts. Gross receipts are the total amount received or realized by, or accruing to, Urban Park from all sales for cash or credit, of services, accommodations, materials, or other merchandise, including sales earned from electronic media made pursuant to rights granted under the Lease.

Furthermore, Lessee shall receive a non-accrual monthly credit of \$1,250 during the term of this Amendment as a net credit to rent for the remuneration for Lessee's inspections of boats for Aquatic Invasive Species.

⁽¹²⁾ Non-Profit organization pursuant to IRS Code Section 501

Deeds Granted
During 4th Quarter of FY 2013/14
April 1, 2014 through June 30, 2014

GRANTEE	ACREAGE	TYPE	TERM	USE	DOCUMENT RECORDING DATE	FEE/RENT	FREQUENCY
California, State of, Department of Water Resources (RL 3341)	3.98 acres	Assignment of Easement	Permanent	Assignment of an access easement on a portion of the Colorado River Aqueduct right of way near Lake Perris in the county of Riverside	4/16/2014	\$11,050	One Time
San Bernardino County Flood Control District (RL 3320)	0.046 acre	Easement	Permanent	Allows for public storm drain purposes on a portion of the Foothill Feeder/Rialto Pipeline right of way in the city of Upland	4/9/2014	\$1,500	One Time

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n/a = Not Applicable