

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT General Services Agency		(2) MEETING DATE 11/5/2013		(3) CONTACT/PHONE Machelle Vieux, Deputy Director – General Services 805-781-5200	
(4) SUBJECT Request to approve a First Amendment to Memorandum of Understanding (MOU) with the Nipomo Community Services District (NCSD) to change the location of the proposed Jim O. Miller Park to County-owned property on the southeast corner of Tefft and Carrillo Streets in Nipomo by four-fifths vote. District 4.					
(5) RECOMMENDED ACTION It is recommended that the Board approve the First Amendment to Memorandum of Understanding and instruct the Chairperson to sign the amendment by four-fifths vote.					
(6) FUNDING SOURCE FC 11307 Real Property Services Operating Budget		(7) CURRENT YEAR FINANCIAL IMPACT \$4,800		(8) ANNUAL FINANCIAL IMPACT \$0.00	
(9) BUDGETED? Yes					
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____) <input type="checkbox"/> Board Business (Time Est. ____)					
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A					
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A				(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: n/a <input type="checkbox"/> 4/5th's Vote Required <input type="checkbox"/> N/A	
(14) LOCATION MAP Attached		(15) BUSINESS IMPACT STATEMENT? No		(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: <u>03/24/2009</u>	
(17) ADMINISTRATIVE OFFICE REVIEW					
(18) SUPERVISOR DISTRICT(S) District 4					

County of San Luis Obispo



TO: Board of Supervisors

FROM: Mabelle Vieux, Deputy Director – General Services
805-781-5200

DATE: 11/5/2013

SUBJECT: Request to approve a First Amendment to Memorandum of Understanding (MOU) with the Nipomo Community Services District (NCSD) to change the location of the proposed Jim O. Miller Park to County-owned property on the southeast corner of Tefft and Carrillo Streets in Nipomo by four-fifths vote. District 4.

RECOMMENDATION

It is recommended that the Board approve the First Amendment to Memorandum of Understanding and instruct the Chairperson to sign the amendment by four-fifths vote.

DISCUSSION

On March 24, 2009, the Board approved a Memorandum of Understanding (MOU) between the County of San Luis Obispo and the Nipomo Community Services District (NCSD) regarding the transfer of ownership in County-owned real property, shown in Attachment #1. The MOU defined the steps necessary to be accomplished before the County would donate approximately 1.4 acres of vacant land at the northeast corner of Tefft Street and Carrillo Street in Nipomo to the NCSD to create a park. The potential park site has been identified as Jim O. Miller Park by the NCSD, and would serve as an entrance point to the Olde Towne district of Nipomo (see Attachment #2 for Location Map.) The park is to be constructed and operated by the NCSD, at no cost to the County.

The MOU also defined steps required for the County to transfer an easement for an NCSD sewer line and pump station that had been installed on another County-owned property on the opposite side of Tefft Street without an easement for the maintenance of the equipment. All steps related to this easement have been accomplished and the sewer easement has been deeded by the County to the NCSD.

Soils sampling conducted by the NCSD on the existing proposed park site at the northeast corner of Tefft and Carrillo Streets determined that contamination existed. Further sampling conducted by the County established that the soil was contaminated by a leaking oil pipeline as well as by heavy metals including lead, which was likely caused by deterioration of an old railroad warehouse that was demolished in the 1950's. The NCSD notified the County that it would not accept ownership of the property unless the contamination was cleaned up. ConocoPhillips installed monitoring wells and determined the location of the oil seepage that has accumulated underground, located mostly in the public right-of-way of an undeveloped portion of Carrillo Road. Chevron (as successor to ConocoPhillips) is working with County Environmental Health to address the oil contamination. The site also had heavy metal contamination and will require a covering of approximately two feet of clean fill to create a buffer over the contaminated soil, at an estimated cost of \$112,500.

The County also owns another 1.4 acre property on the south side of Tefft Street, where soil testing has shown no need for remediation. The MOU amendment (Attachment #3) would move the park the park location to this south property (see "New Site on Attachment #4) and would accomplish the following:

- Cost of remediation of contamination on the north property can be postponed until the site is developed in the future or sold.

- Switching locations does not increase the County's costs related to the donation of land for a park.
- Switching locations allows the development of the park plans to proceed without the lengthy delays of dealing with contamination issues.
- The MOU amendment will allow a community group (the Olde Town Nipomo Association) to promote the park to raise public awareness of the park proposal.

The new park location will work well with a new Park-n-Ride lot that is currently in design for the Carrillo Road right-of-way adjacent to the new park location and is expected to be built by next summer. The Park-n-Ride lot would serve as overflow parking on weekend and evening events at the park when the Park-n-Ride lot is underutilized. The MOU amendment provides for a future easement for sidewalk improvements and drainage on the park property to serve the Park-n-Ride lot.

The MOU Amendment will also acknowledge the role of the Olde Towne Nipomo Association (OTNA) in advancing the Jim O. Miller Park. OTNA is a 501(c)-3 nonprofit corporation organized to promote growth of the Olde Towne Nipomo Commercial Corridor. The group has been keenly interested in developing an attractive park at the entrance to Olde Towne, where farmer's markets and other community events can be held. A Use Permit is attached to the MOU amendment that will allow OTNA to use the new park site to place an information kiosk and to hold fundraising and other events to promote the park. The Use Permit also authorizes the District to process an application from OTNA for a water and sewer service Intent to Serve Letter for the County-owned property, as well as allowing OTNA to submit park plans to the County Planning and Building Department to obtain a Minor Use Permit. The MOU amendment requires approval of the park plans by the NCS D prior to their submittal to the County Planning and Building Department for a Minor Use Permit. Upon approval of the plans, OTNA intends to display them on a kiosk at the new park site in order to promote community interest in the proposed park.

There is currently no funding identified for development of the park. When the original MOU was signed, the NCS D envisioned an assessment district to fund the operations of the park and that NCS D reserves would be used for construction of the improvements. Since that time, the assessment district vote conducted in 2009 was narrowly defeated, and the contamination issue was identified shortly after the assessment vote. The District committed the construction funds to another project rather than to the park. It is the hope of OTNA to spur interest in the park among local residents so that new funding efforts will be more likely to succeed in the future. Since the County has no plans for the property at this time, it is reasonable to allow more time for the park concept to be advanced in the community.

The original MOU did not contain any deadline for a transfer of the property from the County to the NCS D to be completed. The new MOU amendment states that the MOU will be void unless the property is transferred to the NCS D by December 31, 2018 or unless the MOU is extended by mutual agreement of the NCS D and the County.

Approval of the MOU requires a four-fifths vote of the Board under California Government Code, section 25365, which relates to transfers of land between government agencies. It is intended at this time that the donation of the land will be the County's sole contribution to the park project and that County staff will not be involved in the future operations of the park.

OTHER AGENCY INVOLVEMENT/IMPACT

The County Planning and Building Department has been working with OTNA on development of plans for the park. Public Works has worked with the General Services Agency and with OTNA on plans for the Park-n-Ride adjacent to the new park location, and SLOCOG has funded some of the soils sampling that resulted in the proposal to relocate the park and the Park-n-Ride to the south side of Tefft Street. County Environmental Health has worked with the General Services Agency to evaluate soils sampling and work plans. A determination of general plan conformity for transfer of the land for park purposes was filed with the County Planning Commission on September 10, 2009, and the transfer of the property was determined by the County Environmental Coordinator to be categorically exempt from the California Environmental Quality Act per section 15316, Class 16.

The NCS D Board approved the MOU amendment at their meeting on October 9, 2013 and approved Intent to Serve letter for water and sewer for the new park location on October 24, 2013, subject to approval of the MOU amendment by the Board of Supervisors. Prior to accepting ownership of the park site in the future, it will be necessary for the NCS D to activate park powers with the Local Agency Formation Commission.

FINANCIAL CONSIDERATIONS

The value of the 1.4 acre property to be donated to the District is estimated to be \$500,000 to \$750,000 if developed commercially. Staff costs related to the management of this project are estimated at \$25,300 to date for General Services Agency staff (\$4,000 estimated this fiscal year) and approximately \$5,000 to date for Planning staff (\$800 estimated this fiscal year). In previous fiscal years, General Services also paid \$5,833 for soils testing and environmental review on the original and new park sites in addition to the \$10,000 in soils testing that was paid by a SLOCOG grant. Future staff costs are difficult to estimate without knowing if the park will be successfully funded and transferred to the NCSD. The County makes no commitment in the MOU to contribute financially toward the park aside from the donation of the land.

RESULTS

Approval of this First Amendment to the MOU will change the location of a future park known as Jim O. Miller Park to County-owned land on the southeast corner of Tefft and Carrillo Streets in Nipomo and will define the role of the OTNA in advancement of the park plans. This action is consistent with the Communitywide Goal of a Livable Community by creating the opportunity for development of a small park at the entrance to the Olde Towne Nipomo area.

ATTACHMENTS

1. Original MOU
2. LOCATION MAP
3. First Amendment to MOU
4. Original Site and New Site