

**MEMORANDUM OF UNDERSTANDING  
BY AND BETWEEN THE COUNTY OF SAN LUIS OBISPO AND  
THE CITY OF ARROYO GRANDE REGARDING ACQUISITION OF PROPERTY FOR  
THE NEW ARROYO GRANDE PUBLIC SAFETY FACILITY  
AND REMOVAL OF DEED RESTRICTION ON RECREATION SITE**

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This Memorandum of Understanding ("MOU") is entered by and between the County of San Luis Obispo (hereinafter "County") and the City of Arroyo Grande ("CITY"), (collectively the "Parties") with reference to the following Recitals:

**RECITALS**

- A. CITY desires to construct a new public safety facility to house the Arroyo Grande Police Department and to enhance public safety, disaster response and house personnel and equipment needed to provide critical public safety services to the City of Arroyo Grande and other cities and communities by future agreement ("Public Safety Facility"). CITY desires to locate the Public Safety Facility on approximately 1.47 acres of County-owned land located on the northeast corner of West Branch Street and Rodeo Drive (a portion of APN 007-011-046), identified as Property #1 in Exhibit "A" attached hereto and incorporated herein.
- B. CITY desires to re-zone a portion of CITY's property at West Branch Street and Old Ranch Road ("Recreation Property", APN 007-011-044) to allow the future sale of up to four residential lots to assist the CITY to pay for costs of developing a future recreation center on the remainder of the property. CITY acquired the Recreation Property from COUNTY with a deed restricting the use of the land for the purpose of municipal facilities or to be leased to a nonprofit organization for charitable purposes, including youth recreation. CITY requests COUNTY to remove this deed restriction on approximately one acre of the Recreation Property, identified as Property #2 in Exhibit "A."
- C. COUNTY owns approximately 6.8 acres of land zoned Public Facility and located on the southerly side of Rodeo Drive approximately ¼ mile east of the intersection of West Branch Street and Rodeo Drive (APN 007-011-040).
- D. The Parties agree that construction of a new Public Safety Facility and a Recreation Center in the City of Arroyo Grande provides a public benefit.

NOW, THEREFORE, the parties agree as follows:

**1. PUBLIC SAFETY FACILITY:**

- a) CITY will plan for, design, develop, and maintain the Public Safety Facility. CITY shall pay all costs related to preparation and processing of the subdivision map to create this parcel as well as all other parcels resulting from this MOU. The exact proposed property lines will be established through cooperation and agreement of the Parties and fee title ownership will be transferred from COUNTY to CITY in accordance with this MOU. CITY will then be responsible for designing and constructing the new public

safety facility, including applications for grants, loans or proposals for other public agency funding assistance. CITY will design and construct the proposed new public safety facility, at no cost to COUNTY.

- b) Subject to fulfillment of the provisions of this MOU, COUNTY will deed the necessary Public Safety Facility land to CITY upon final approval by CITY of COUNTY'S General Plan Amendment/rezoning application as fully described in this MOU and upon final approval by CITY of a subdivision map creating all parcels resulting from this MOU, subject to conditions of approval that are acceptable to COUNTY. COUNTY acknowledges that such approvals are discretionary approvals subject to certain legal procedures, and nothing contained in this agreement shall be interpreted as a predetermination of COUNTY'S applications or warranting that approval or that a certain result will occur. City shall prepare the deed and the legal description for signature by COUNTY.
- c) COUNTY's transfer of Public Safety Facility land shall be subject to public process as described in California Government Code, Section 2 5365.

## 2. COUNTY RESIDENTIAL MULTI-FAMILY PROPERTY:

- a) COUNTY intends to create a separate 2.02-acre± parcel identified as Property #3 in Exhibit "A" attached hereto (a portion of APN 007-011-040), located on the southerly side of Rodeo Drive approximately ¼ mile north of the intersection of West Branch Street and Rodeo Drive.
- b) COUNTY will apply to CITY for a General Plan Amendment/rezoning application to designate/zone Property #3 for "Multi-Family Residential" land use. CITY will coordinate with COUNTY, prepare all documents and exhibits for signature by COUNTY, including preparation and processing of the subdivision map, pay all related costs and fees, and expeditiously process the application.

## 3. COUNTY RESIDENTIAL SUBURBAN PROPERTY:

- a) COUNTY intends to create four separate parcels totaling slightly more than one acre, identified as Property #4 in Exhibit "A" attached hereto (a portion of APN 007-011-040), located at the westerly intersection of Rodeo Drive and Mercedes Lane.
- b) COUNTY will apply to CITY for a General Plan Amendment/rezoning application to designate/zone Property #4 for "Residential Suburban" land use. The CITY will coordinate with COUNTY, prepare all documents and exhibits for signature by the COUNTY, including preparation and processing of the subdivision map, pay all related costs and fees, and expeditiously process the application.

## 4. CITY SINGLE FAMILY RESIDENTIAL PROPERTY:

- a) CITY will apply for a General Plan Amendment/rezoning application to designate/zone approximately one acre of Recreation Property (APN 007-011-044) for "Single Family Residential" land use (Property #2 in Exhibit "A"). City will prepare and process a

subdivision map and pay all related costs and fees to create up to four parcels on said portion of Recreation Property.

- b) Subject to fulfillment of the provisions of this MOU, COUNTY will remove the deed restrictions in Property #2 by quitclaiming COUNTY's interest in Property #2 upon final approval by CITY of COUNTY'S General Plan Amendment/rezoning application as fully described in this MOU and upon final approval by CITY of a subdivision map creating all parcels resulting from this MOU, subject to conditions of approval that are acceptable to COUNTY

5. CONSERVATION EASEMENT:

- a) COUNTY agrees to establish and dedicate to CITY a perpetual conservation easement on the approximately 200 foot wide open space area containing an unnamed creek, detention basin, trail and wildlife habitat area between West Branch Street, Rodeo Drive and Mercedes Lane (portions of APN's 007-011-040 and 007-111-046), generally depicted as Property 5 in Exhibit "A".
- b) CITY agrees to survey the easement and prepare a legal description and all other documents and exhibits necessary to create the conservation easement, including but not limited to the conservation agreement, subject to approval by COUNTY. CITY will accept said dedication and assume all maintenance responsibility for the conservation easement property as described in the conservation agreement upon transfer of the Public Safety Facility property from COUNTY to CITY. CITY shall be responsible for any special assessments assessed to COUNTY land as a result of this conservation agreement.
- c) COUNTY's deeding of Conservation Easement is in the public interest and shall be subject to public process as described in California Government Code, Section 51084.

6. PECAN PLACE:

- a) CITY agrees to accept the portion of Pecan Place within the incorporated area of Arroyo Grande that is currently owned by COUNTY (APN 077-192-018), which serves as ingress and egress to several residential properties in Arroyo Grande. COUNTY shall prepare quitclaim deed, and CITY shall accept quitclaim deed concurrently with acceptance of Public Safety Facility property.
- b) COUNTY's transfer of the Pecan Place property shall be subject to public process as described in California Government Code, Section 25365. County shall notify residents of property served by Pecan Place prior to transfer of the property.

7. ARROYO GRANDE REDEVELOPMENT AGENCY:

CITY agrees to contribute fifty thousand dollars (\$50,000) from the Arroyo Grande Redevelopment Agency affordable housing set aside funding for the development of an affordable housing project on the new multi-family residential parcel (Property #3), if such a project is developed by COUNTY or Assignee. COUNTY acknowledges that

any such affordable housing project will be subject to the execution of appropriate agreements to provide for such affordability, as determined by the CITY.

#### 8. GENERAL PROVISIONS OF THIS MOU:

- a) The Parties acknowledge that this MOU must be implemented through a complex series of multiple steps that include several governmental approvals requiring compliance with the California Environmental Quality Act ("CEQA") before the parties can finally decide whether to proceed. CITY shall act as Lead Agency with respect to CEQA for all environmental issues related to all actions described in this MOU, subject to COUNTY's review and approval of the documents relating to COUNTY's actions. In the event that any of the necessary approvals is not obtained or any of the conditions are unacceptable to either party, the parties understand that this MOU may be abandoned upon written notice to the other party. Thus, the MOU sets out a series of steps for the parties to follow to ensure compliance with all government process, approvals and laws.
- b) CITY will waive any and all fees related to the COUNTY's application and processing of the Subdivision Map and General Plan Amendment/rezoning applications.
- c) CITY and COUNTY jointly will prepare a schedule for accomplishing each of the tasks set forth in this MOU.
- d) The Parties will exchange information and consult with each other before implementing the provisions hereof that may affect the ability of any other party to perform under this MOU.
- e) All coordination, assistance, and services rendered under this MOU will be carried out in compliance with the objectives and responsibilities of the Parties. Nothing in this MOU shall be in conflict with the responsibilities of any participating Party as defined in Federal, State, or local law, statute, regulation, or participating Parties' policies and procedures.

#### 9. ROLES AND RESPONSIBILITIES

The Parties shall each designate in writing a single point of contact to ensure their respective responsibilities are satisfied. All future correspondence regarding this MOU and the rights and responsibilities hereunder shall be directed to the designated single points of contact.

#### 10. EFFECTIVE DATE, TERMINATION AND MODIFICATION

This MOU will become effective when executed by the Parties. This MOU may terminate by the mutual consent of the Parties or by operation of law. This MOU may be amended by written instrument executed by all the Parties.

## 11. MUTUAL INDEMNIFICATION

The Parties shall, to the fullest extent permitted by law, indemnify, defend and hold each of the other Parties harmless against any and all costs, expenses, losses, claims, suits, damages, and liabilities (including reasonable attorney's fees) for acts or omissions arising out of or in connection with this MOU. Nothing contained herein shall be deemed to release or discharge CITY from defending and indemnifying COUNTY, including attorneys' fees, in the event of an action, claim, or suit alleging a violation of the California Environmental Quality Act.

**//////////NOTHING FURTHER BEYOND THIS POINT EXCEPT SIGNATURES//////////**

IN WITNESS WHEREOF, the parties hereto have executed this MOU effective upon the date of last signature below.

**COUNTY OF SAN LUIS OBISPO:**

By: Rance S. Gilson  
Chairperson of the Board of Supervisors

Approved by the Board of Supervisors this  
23<sup>rd</sup> day of June, 2009.

ATTEST:  
**JULIE L. RODEWALD**

Clerk of the Board of Supervisors

By: Sandy Curran  
Deputy Clerk

**APPROVED AS TO FORM AND  
LEGAL EFFECT:**

**WARREN R. JENSEN**

County Counsel

By: R. A. Neal  
Assistant County Counsel

Date: 6/12/09

**CITY OF ARROYO GRANDE:**

By: Tony Ferrera  
Tony Ferrera, Mayor

Date: \_\_\_\_\_

ATTEST:

Kelly Wetmore  
Kelly Wetmore, City Clerk

**APPROVED AS TO FORM:**

Timothy J. Carmel  
Timothy J. Carmel, City Attorney

Date: 5/26/09

**APPROVED AS TO CONTENT:**

Steven Adams  
Steven Adams, City Manager

Date: 5/28/09