

**MEMORANDUM OF UNDERSTANDING REGARDING PURCHASE OF LAND FOR A
RECREATIONAL FACILITY AND OPEN SPACE AT**

37076 Oak Glen Road, Yucaipa CA 92399

THIS MEMORANDUM OF UNDERSTANDING, entered into as of _____, 2016 (“MOU”), is made by and between the City of Yucaipa, a California municipal corporation (“City”), and the Yucaipa Valley Conservancy, a California non-profit public benefit corporation (“Yucaipa Valley Conservancy”), collectively referred to herein as the Parties.

RECITALS

WHEREAS, the Yucaipa Valley Conservancy desires to facilitate the development of a permanent recreational facility and open space for the benefit of the residents of the City of Yucaipa and the surrounding area; and

WHEREAS, the Yucaipa Valley Conservancy is in the process of acquiring that certain real property located at 37076 Oak Glen Road, Yucaipa CA 92399, located north of Oak Glen Road and South of El Dorado Ranch Park in the City of Yucaipa, consisting of a 10.78 acre parcel with all of the improvements contained thereon (and also known as Assessor’s Parcel Number 032-121-43); and

WHEREAS, The Yucaipa Valley Conservancy has recently opened an escrow to purchase the property; and,

WHEREAS, The Yucaipa Valley Conservancy intends to contribute \$200,000 toward the purchase of the property; and,

WHEREAS, the City intends to contribute \$570,000 toward the purchase of the property; and,

WHEREAS, the City is willing to accept title to the Property in order to facilitate development of a public recreational facility and for open space uses.

NOW, THEREFORE, in consideration of the foregoing recitals and for other good and valuable consideration, the adequacy of which is hereby acknowledged, the parties agree as follows:

1. Recitals Incorporated

The foregoing recitals are incorporated in this MOU by this reference.

2. Conveyance

- (a) Yucaipa Valley Conservancy agrees to assign to the City Yucaipa Valley Conservancy’s rights under the Purchase Agreement and Joint Escrow

Instructions between it and Glenn and Flora Reiter (Sellers) relating to the Property, at no charge to the City except as set forth herein. The Parties agree to cooperate in the preparation and execution of such an assignment agreement prior to close of escrow.

- (b) The City shall pay all inspection, escrow and closing costs.
- (c) The Yucaipa Valley Conservancy agrees to allow the City and its employees and consultants access to the Property for purposes of due diligence investigations, including without limitation investigations in connection with a Phase I environmental report and, if necessary, a Phase II environmental report.
- (d) It shall be a condition to the close of escrow and any City acceptance of the Property that Priority title, or another title company acceptable to the City, shall issue to the City a CLTA owners policy of title insurance in an amount to be determined by the City, insuring fee title to the property vested in the City, with a mechanic's lien endorsement, free of all liens and encumbrances except those shown on a current title report approved by the City Manager. The City shall pay the premium for the policy of title insurance.

3. Improvements

- (a) The City hereby agrees to cause the development on the Property of a recreational facility for the benefit of the residents of the City of Yucaipa and the surrounding area (referred to herein as a "Recreational Facility"), within a reasonable time after the City's acquisition of fee title to the Property.
- (b) The Recreational Facility is envisioned to retain and improve the existing buildings and corral and may include a parking lot (including space for up to 10 vehicle and trailer combinations for equestrian users) and tie rails for equestrian use, individual yurt/cabin "camping", group camping areas, an archery course, trails, and landscaping. Any improvements shall be designed to fit in with the natural environment incorporating natural wood and rock materials wherever feasible. Appropriate review pursuant to the California Environmental Quality Act will be undertaken at such time as any specific improvements are proposed.

4. Maintenance Obligations

- (a) The City agrees to maintain the Property in its current configuration and construct additional improvements as required to provide connectivity to existing or proposed trails/maintenance roads on or adjacent to the Property and the uses contemplated in this MOU.
- (b) At no time in the future shall responsible and reasonable equestrian use of the facility be restricted or denied.

5. Counterparts

This MOU may be executed in counterparts, and all counterparts so executed shall constitute one agreement, binding the Parties hereto, notwithstanding that all of the Parties are not signatory to the original or same counterpart.

6. Construction

The language in all parts of this MOU shall be in all cases constructed simply according to its fair meaning and not strictly for or against any of the Parties.

IN WITNESS WHEREOF, the Parties have caused this MOU to be executed as of the date first written above.

CITY OF YUCAIPA, a California
municipal corporation

YUCAIPA VALLEY CONSERVANCY

By: _____
Denise Hoyt
Mayor

By: _____
Name: _____
Title: _____

ATTEST:

JENNIFER SHANKLAND
City Clerk

APPROVED AS TO FORM:

David M. Snow
City Attorney