

CAPISTRANO BAY DISTRICT
AGENDA REPORT
July 25th, 2017

New Business

ITEM 10a

Proposed New RR Parking License Agreement

On Friday, June 30th, representatives from OCTA met with Manager Russell at the District Office and presented a proposal for a new License Agreement for the use of their railroad property in the area of the community entrance that was developed and improved about six years ago.

According to OCTA, they believe the existing RR License Agreement for parking over on the RR side of Beach Road only encompasses the parking areas that extend south from the first home at 35051 Beach Road. This then leads them to believe that the newer area extending north of the first home including the overflow parking area, the District Office, the lawn, flagpole, palapa, and all the landscaping is being used by the District without the benefit and control of a License Agreement, hence the meeting and the proposal for a new agreement.

The current agreement will cost the District about \$38,000 in 2018 (this year is already paid for). Each year the rate creeps up according to the CPI, which currently is around 2%. The proposed new agreement, to cover the new community entrance area, is priced at \$74,000. This amount, added to the current agreement would come to a total of approx. \$112,000 for 2018.

The Board and staff have had limited time to absorb this bombshell of news since the Fourth of July but will be working with OCTA to achieve the following:

- retain our use of the OCTA property that cost about \$1M to beautify
- negotiate a reduced rate on the license for the new area
- maintain our friendly and neighborly relationship

Our current communications with OCTA have consisted of the face-to-face meeting on June 30th and a recent email to their representative on July 18th asking questions regarding some details in the language of the proposed agreement. There has been no response from OCTA yet.

Solving the concern of where to come up with \$74,000 each year poses a serious challenge to the Board and in the short time since being made aware of this, there has been no movement except for the communications noted above.