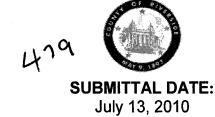
SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



FROM:

Executive Office

SUBJECT: 2009-10 Grand Jury Report: City of Blythe Airport (EDA)

RECOMMENDED MOTION: That the Board instructs the City of Blythe Airport (EDA) to forward to the Executive Office – within 30 days – a draft of the Board's response to the findings and recommendations of the Grand Jury that pertain to the Department's operational areas; and direct the Executive Office to submit draft responses to the Board within 60 days.

BACKGROUND: The attached report has been issued by the Grand Jury.

Section 933 (c) of the Penal Code requires that the Board of Supervisors comment on the Grand Jury's recommendations pertaining to matters under the control of the Board, and that a response be provided to the Presiding Judge of Superior Court within 90 days.

Draft responses received from the affected department will be consolidated and presented for the Board's consideration; the response ultimately approved by the Board will then be forwarded to the Grand Jury as required by statute.

Current F.Y. Total Cost: In Current Year Budget: \$ **FINANCIAL Current F.Y. Net County Cost:** \$ **Budget Adjustment:** DATA **Annual Net County Cost:** For Fiscal Year: \$ SOURCE OF FUNDS: Positions To Be **Deleted Per A-30** Requires 4/5 Vote C.E.O. RECOMMENDATION: **APPROVE** Policy **County Executive Office Signature** \boxtimes \boxtimes

Dept Recomm.: Per Exec. Ofc.:

Consent

 \Box

Prev. Agn. Ref.:

30daycityofblytheairport07.10

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

3.10



RIVERSIDE COUNTY GRAND JURY

(951) 955-8990 OFFICE • (951) 955-8989 FAX

June 28, 2010

Riverside County Board of Supervisors County Administrative Center 4080 Lemon Street, 1st Floor Riverside, CA 92501

Subject: 2009-10 Grand Jury Report: City of Blythe Airport

Dear Board Members:

Please note that Penal Code Section 933 et seq., specifies that you respond within ninety days. Further, it specifies that this report be kept **confidential for a minimum of two working days** prior to public release. The contents of this report will be made public after the close of business **June 30, 2010.**

Sincerely,

John B. Todd, Foreperson

2009-10 Riverside County Grand Jury

JBT:gs Attach.

Statement of the statem

2009-2010 GRAND JURY REPORT

City of Blythe Airport

Background

The City of Blythe Airport is situated six miles to the east of the City of Blythe, adjacent to Interstate 10. The airport was built in 1930 and expanded during WWII by the Army Air Corps as a training base with two runways, each exceeding 6,000 ft. It was closed following the war and the property deeded over to the County of Riverside.

The County of Riverside leased the airport to the City of Blythe for a period of 30 years in a lease agreement dated May 20, 1997. The Riverside County Economic Development Agency (EDA) is currently reviewing this lease. The original lease specifically disallows subleases without prior approval of lessor.

In July 2009, US Solar Holdings, LLC expressed an interest in leasing from the City of Blythe 829 acres out of a total 3,904 acres in the northeast section of the airport property for the purpose of erecting a 100 megawatt solar generating plant (Photovoltaic Project) to generate electric power. (See Attachments 1 & 2) The initial sublease would be for a term of 25 years.

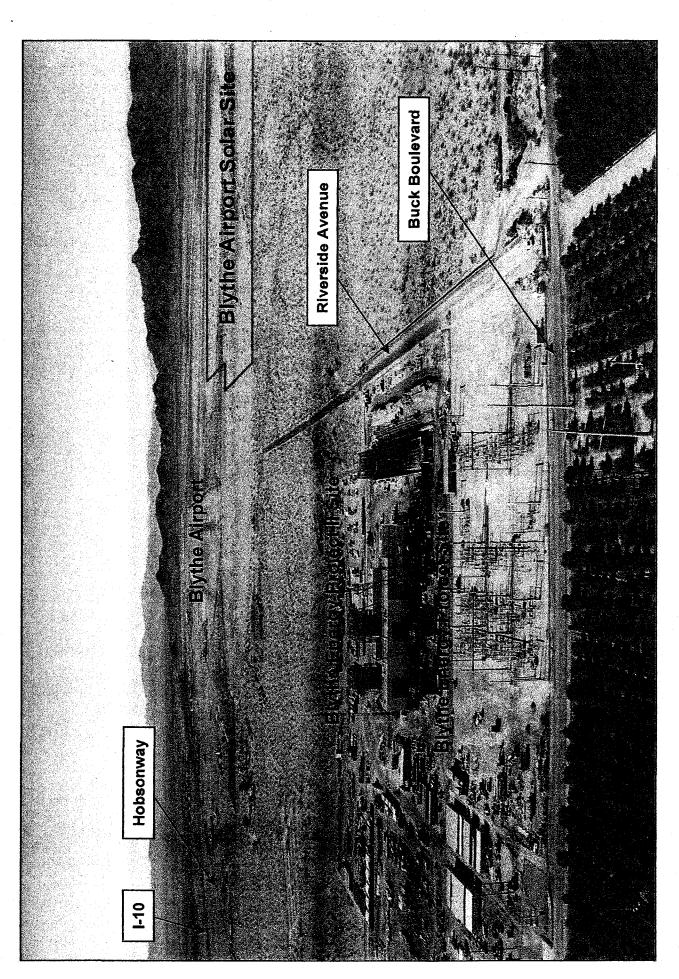
Findings

- 1. The City of Blythe entered into a sublease agreement and a Community Benefits Agreement with US Solar dated November 10, 2009. The sublease is in violation of terms of the lease agreement dated May 20, 1997, between the County of Riverside and the City of Blythe.
- 2. The EDA holds that this sublease is unacceptable to the county and in violation of the existing lease agreement between the County of Riverside and the City of Blythe. The EDA is in favor of the project and desirous of proceeding with a proper lease arrangement with the legal entities.

Recommendations

Riverside County Board of Supervisors Riverside County Economic Development Agency Blythe City Council Blythe City Manager

- The City of Blythe should cancel all not proposed sublease agreements and the Community Benefits Agreement between the City of Blythe and Southwest Land Holdings, LLC (a wholly owned affiliate of US Solar) for the airport property. The EDA should assume the role as sole leasing agency for all lease agreements between the County of Riverside and Southwest Land Holdings, LLC.
- 2. The EDA should proceed with creating a lease between the County of Riverside and Southwest Land Holding, LLC, a wholly owned affiliate of U.S. Solar, for the 829 acres and comply with the covenants imposed by the Federal Aviation Administrations (FAA). Public Law 80-289 states in part "the income from such property must be used to support the maintenance, operation, or development costs of the aeronautical property."

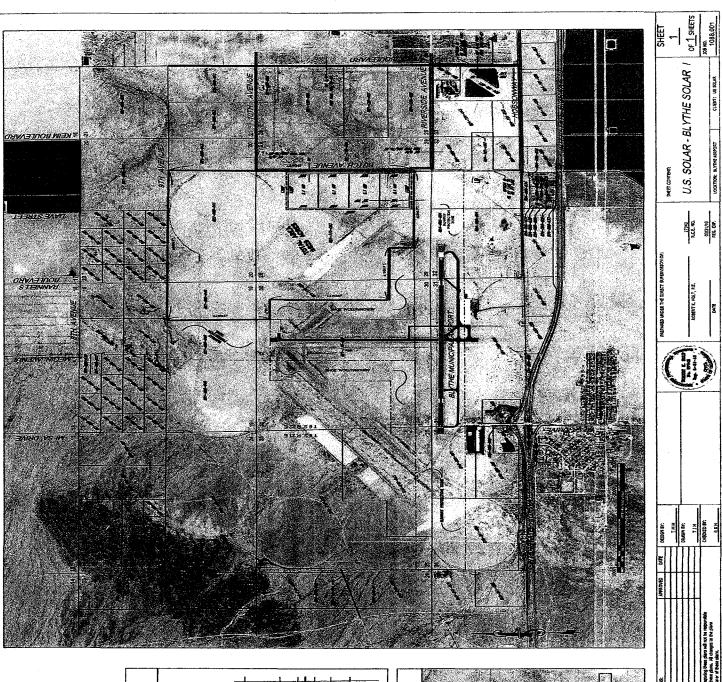


FEATURES IN VICINITY OF BLYTHE AIRPORT / SOLAR SITE **Aerial View Looking West**

ATTACHMENT 1



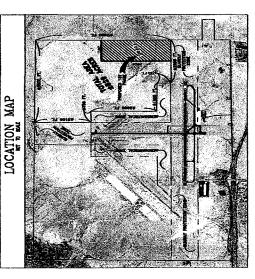
27943 R.C.E. NO. 03791/16 REG. EOP.



VICINITY MAP

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The Holt Group, Inc.	ENGINEERING - PLANNING - SURVEYING	200 E. Hobsonwey Byline, California 92221 1861 N. Imperial Avenua El Coniro, California 9222