



CITY OF MENIFEE

SUBJECT: Agreement of Purchase and Sale for the Acquisition of Real Property to be Designated as Open Space for Parks, Trails and Recreation

MEETING DATE: May 21, 2025

TO: Mayor and City Council

PREPARED BY: Rebekah Kramer, Deputy City Manager

REVIEWED BY: Bryan Jones, Assistant City Manager

APPROVED BY: Armando G. Villa, City Manager

RECOMMENDED ACTION

1. Approve and authorize the City Manager to execute a Purchase and Sale Agreement for real property known as Menifee Hills consisting of 19 parcels generally located west of Menifee Road, north of Aldergate Drive, east of Antelope Road, and south of McCall Boulevard to be designated as open space for parks, trails and recreational purposes in an amount not-to-exceed \$1,150,000; and
2. Authorize the City Manager to execute the Agreement of Purchase and Sale and Escrow Instructions, and to execute any additional documents required for the acquisition of the real property (APNs) 333-210-019, 333-210-020, 333-210-017, 333-210-014, 333-210-015, 333-210-016, 333-210-013, 333-220-019, 333-220-017, 333-220-018, 333-220-013, 333-220-008, 333-220-009, 333-220-005, 333-220-007, 333-220-010, 333-220-011, 333-220-012, and 333-220-006; and
3. Adopt a budget amendment resolution for the Trust Fund approving an increase in revenue and appropriation of expenditures in the amount of \$1,164,540 (Transfer Out); and
4. Adopt a budget amendment resolution to the General Fund approving an increase in revenue (Transfer In) and appropriation of expenditures in the amount of \$1,164,540 to account assigned by the Finance Department.

DISCUSSION

The City Council has established the acquisition of land, for the purpose of providing for parks, trails and open spaces to enhance the quality of life for Menifee residents, as a priority in both the City's adopted Strategic Plan and Parks Master Plan. The City currently has 47 parks comprised

of 22 city-owned and maintained parks and 25 parks maintained by Valley-Wide Recreation and Park District. With continued population growth, it is important that the City take advantage of opportunities to expand access to parks, trails and open spaces to improve the quality life for Menifee residents. To this end, the City has been presented with an opportunity to acquire 19 parcels totaling approximately 398 acres of open space on the east side of the City generally located west of Menifee Road, north of Aldergate Drive, east of Antelope Road, and south of McCall Boulevard. The purchase price of the 19 parcels that make up the land acquisition is \$1,150,000, which is below market value and will provide Menifee residents with additional open space that can be used for a variety of outdoor recreational activities.

In early 2022, the City received one-time community benefit funding as part of the Commerce Pointe Development Agreement (DA) for public facilities. The Menifee Hills property offers a rare opportunity to secure a significant amount of open space at a competitive price, using one-time funding from a development agreement. This investment would not only help close the parkland gap but also advance key Strategic Plan goals related to placemaking, social infrastructure, and equitable access to recreational opportunities across the City. The Menifee Hills are visible for miles around and offer panoramic views of the valley presenting additional opportunities for eco-tourism and active recreational tourism, such as hiking and mountain biking, contributing to the development of the City's unique identity and thriving economy, and putting Menifee of the map.

The proposed acquisition of 398 acres, known as Menifee Hills, directly supports the City's adopted 2023 Parks Master Plan, which identifies open space preservation and land acquisition as essential strategies to meet long-term park and recreation needs. With the City's population expected to continue to grow, and current parkland levels at 2.6 acres per 1,000 residents, which is well below the City's adopted goal of 5 acres per 1,000, there is a clear and growing need to expand Menifee's park and open space system. The Parks Master Plan reflects strong community interest in more trails, natural areas, and outdoor recreation opportunities, especially in areas with limited access to City-owned amenities. Strategy 5: Trails, Connectivity, and Open Space specifically calls for the City to preserve large open space corridors that support hiking, passive recreation, and environmental stewardship. It is also important to note that the location of the site presents an opportunity to support the extension of the Salk Creek Trail between Antelope Road and Aldergate Drive. Upon approval of the land acquisition, City staff would assess the identified parcels to evaluate opportunities for site improvements that will enhance outdoor recreational activities.

STRATEGIC PLAN OBJECTIVE

Community Engagement and Social Infrastructure

FISCAL IMPACT

The total fiscal impact of the proposed Agreement for the acquisition of property, identified as APNs 333-210-013, 014, 015, 016, 017, 019, 020; 333-220-005, 006, 007, 008, 009, 010, 011, 012, 013, 017, 018, and 019 is for the total amount not-to-exceed \$1,164,540, which includes all acquisition and related closing costs.

Funding for the Agreement is available within the Trust Fund which holds a balance of \$2,150,000 received by the Commerce Pointe Development Agreement No. 2012-116 collected in 2022 for purposes of a public facility. The proposed Agreement is an eligible expense under the Commerce DA. Accordingly, \$1,164,540 from the \$2,150,000 held in trust will be recognized as revenue in the Trust Fund (8350-438851). The funding would then be transferred out of the Trust Fund (8350-GSD-901100) and transferred into the General Fund (1100-808350). The corresponding expenditures would be appropriated within the General Fund to acquire the land (1100-GSD-660040) for the Project, as summarized in Table 1 below.

TABLE 1 – PROJECT BUDGET SET-UP

Fund	Account Description	Account#	Revenue Budget	Expenditure Budget
Trust Fund	Revenue - Commerce DA	438851	\$1,164,540	
Trust Fund	Transfer Out	901100		\$1,164,540
General Fund	Transfer In	808350	\$1,164,540	
General Fund	Expenditure - Land	660040		\$1,164,540

Following acquisition of the identified parcels, City staff would further assess opportunities to make enhancements that will support both the City's Strategic Plan and Parks Master Plan. Any proposed improvements would be presented for consideration as part of a future update to the City's Capital Improvement Program. Ongoing property maintenance costs would be evaluated and integrated into the Community Services Department operating budget in future fiscal years.

ATTACHMENTS

1. Property Location Map
2. Purchase and Sale Agreement
3. Budget Amendment Resolution - Trust Fund
4. Budget Amendment Resolution – General Fund