



**SUPPLEMENTAL AGENDA ITEM  
AGENDA STAFF REPORT**

**Control: 26001238**

**MEETING DATE:** 04/28/2026

**LEGAL ENTITY TAKING ACTION:** Orange County Flood Control District

**BOARD OF SUPERVISORS DISTRICT(S):** District 4

**SUBMITTING AGENCY/DEPARTMENT:** County Executive Office

**DEPARTMENT CONTACT PERSON(S):** Thomas Miller, 714-834-6019  
Kevin Onuma, 714-647-3939

**REASON ITEM IS SUPPLEMENTAL:** This ASR is supplemental because of the delay in finalizing the lease with the City of Anaheim and is required to be heard as soon as possible so that the new lease and rent will go into effect.

**JUSTIFICATION:** The lease is currently in holdover status with the City paying only \$1.00 a year in rent, and a delay in the item will result in the new rent structure being delayed as well.

**SUBJECT:** Adopt Resolution and Approve Lease with City of Anaheim Dad Miller Golf Course

<b>CEO CONCUR</b>	<b>COUNTY COUNSEL REVIEW</b>	<b>CLERK OF THE BOARD</b>
Concur	Approve agreement to form	DISCUSSION 3 Votes Board Majority

<b>Budgeted: No</b>	<b>Current Year Cost: N/A</b>	<b>Annual Cost: N/A</b>
<b>Staffing Impact: No</b>		<b>Sole Source: No</b>
<b>Current Fiscal Year</b>	<b>Funding Source: Real Estate</b>	<b>County Audit in Last 3</b>
<b>Revenue: See Financial</b>	Development Fund 135: 65%, OC Flood	<b>years: No</b>
Impact Section	Fund 400: 35%	
<b>Levine Act Review</b>		
<b>Completed? N/A</b>		
<b>Prior Board Action: 12/21/2004 #69, 12/09/2003 #37, 10/22/2002 #59, 9/20/1977 #30</b>		

**RECOMMENDED ACTION(S):**

1. Find that the project is Categorically Exempt from the CEQA, Class 1 (Existing Facilities) pursuant to CEQA Guidelines, Section 15301.
2. Adopt a Resolution making certain findings as required pursuant to the Orange County Flood Control Act and the Surplus Land Act related to approval of the proposed Dad Miller Golf Course Lease between the Orange County Flood Control District and the City of Anaheim.
3. Approve and authorize the Chief Real Estate Officer or designee to execute the proposed Dad Miller Golf Course Lease between the Orange County Flood Control District and the City of Anaheim which

includes a 25-year term with five additional 5-year options for a total term up to 50-years, and to make minor modifications that do not alter the liability or obligations of the Orange County Flood Control District, as approved by County Counsel.

4. Authorize the Chief Real Estate Officer or designee, on behalf of the Orange County Flood Control District, to perform all activities specified to be performed by the Chief Real Estate Officer or Orange County Flood Control District within the terms of the proposed Lease and to execute any documents necessary for implementation of the Lease and to execute any amendments that make non-monetary and/or monetary changes that do not increase Orange County Flood Control District liability or costs by more than \$75,000 annually, as approved by County Counsel.

**SUMMARY:**

Approval of the Resolution and proposed new lease agreement between the Orange County Flood Control District and the City of Anaheim for a 25-year-term with options to renew for five additional 5-year-terms for a total-term up to 50-years will allow the City to continue to operate and maintain the existing Dad Miller Golf Course, portions of which are located on Orange County Flood Control District-owned property, providing a quality, sustainable golf course for the long-term use and enjoyment by the public.

**BACKGROUND INFORMATION:**

In 1959, the Orange County Flood Control District (“District”) and the City of Anaheim (“City”) entered into a 25-year lease (“Lease”) for approximately 60 acres of District-owned land, identified as Parcels A & B in the Lease. The leased property, along with property owned by the City was developed into the 18-hole Dad Miller Golf Course, which opened in 1961.

On September 20, 1977, the Lease was amended to extend the term to September 19, 2002. On October 22, 2002, a second amendment to the Lease reserved the right to terminate the Lease with respect to Parcel A, while extending the Lease for the remaining 45 acres identified as Parcel B until October 31, 2004. On October 29, 2004, the District sent a letter to the City indicating that the Lease would continue on a month-to-month basis. Parcel A was later terminated via a letter dated February 24, 2005, and subsequently leased to the Tiger Woods Foundation for the construction of the Tiger Woods Teaching Center at Dad Miller.

Also on October 22, 2002, the District and County of Orange (“County”) approved a Memorandum of Understanding (“MOU”) providing that if the City annexed eight (8) County islands located within the City’s sphere of influence, the District would enter into a new long term ground lease with the City for a term of 50 years at \$1.00 per year. The MOU further provided that, if annexation was not completed, then the parties would negotiate a fair rental value for the District property. On December 9, 2003, the parties entered into a Pre-Annexation Agreement, however, the annexation was unsuccessful with respect to islands AN-6, AN-7, and AN-8.

On December 21, 2004, the parties entered into a subsequent MOU to allow additional time for the City to complete annexation of the remaining unincorporated islands in order to secure a new long-term ground lease. However, those annexation efforts were also unsuccessful. In 2020, the City again attempted annexation of the remaining three County islands (AN-6, AN-7, and AN-8), but the annexation effort was again unsuccessful. The Lease is currently continuing on a month-to-month basis with the City paying \$1.00 per year pursuant to the terms of the prior MOU. It is important to note that this rental rate was supposed to be in consideration of the annexation of the County islands (AN-6, AN-7, and AN-8), which has not occurred.

In December 2024, the District transmitted a proposed new lease (“New Lease”) to the City with a proposed rental rate of \$25,000 per month. The City requested supporting documentation to justify the District’s proposed rental rate. In response, the District prepared a comparative analysis of other County and District golf course leases. The analysis indicated that the proposed rent is at the lower end of comparable rents for similar facilities. In addition, the City provided information on their net revenues from the golf course operations, which indicated that even with the proposed rent, they will still have excess revenues from the operation.

In response to the New Lease, the City offered to buy the site or attempt the annexation process once again to obtain a long-term low-cost rent. The District-owned portion of the course is located within Gilbert Retarding Basin (“Basin”) and is required for the maintenance and operation of the Basin, which is used for seasonal water storage. The Basin is an integral part of the District’s primary mission of providing flood control and water storage capacity and therefore cannot be sold. The proposed New Lease does not impact the District’s ability to fulfill its primary function of protecting life and property in Orange County from unnecessary exposure to flood hazard and conservation to augment Orange County’s water supply.

Thereafter, City and County staff met and negotiated terms for the New Lease with an annual rent of \$215,000, which includes a provision that again allows for a reduced rent of \$1 per year if the City is successful in annexing the remaining County islands (AN-6, AN-7, and AN-8). The rental rate is consistent with other golf course operations that are operated in conjunction with other cities, such as River View Golf Course in Santa Ana, and is significantly less than the rent received by the District or County from private golf course operations. In addition, the New Lease does not require that the City take on any additional responsibilities from the original Lease. The Anaheim City Council considered the New Lease at their March 3, 2026, meeting. At that meeting, they requested that the County consider and approve the New Lease first. Based on this, CEO Real Estate and the District are recommending that the Board of Supervisors approve the New Lease.

**Compliance with CEQA:** The proposed action is Categorically Exempt (Class 1) from the provisions of CEQA, pursuant to CEQA Guidelines, Section 15301, because it involves a lease of an existing public facility, for the continued operation of the existing golf course facility and event center operations, that is compatible with District-Use.

**General Plan Conformity:** The proposed action is consistent with the respective General Plan of the City of Anaheim.

**Orange County Flood Control Act:** The Orange County Flood Control Act Chapter 36, Section 2 (b)(12) requires the Board to make certain findings prior to entering into the New Lease. The evidence relied upon to make these findings is recited within the proposed Resolution attached.

**Surplus Land Act:** The New Lease will result in an “agency’s use” for the District’s land and is therefore not subject to the Surplus Land Act. Nevertheless, the District’s land subject to the Lease is “exempt surplus land” pursuant to Government Code section 54221(f)(1), subdivisions (D) and (N).

#### **FINANCIAL IMPACT:**

Revenue for the New Lease is not included in the FY 2025-26 Budget but will be included in the budgeting process for future years. Revenue from this Lease is \$215,000 annually from the first through the fifth year. Beginning on July 1, 2031, and each year thereafter the rent will be adjusted by CPI not to exceed 2.5% as

set forth in the New Lease. However, the rent will be reduced to \$1 per year should the City successfully annex the County islands located within the City's sphere of influence, referred to as AN6, AN7, and AN8. Therefore, the District's net revenue for the initial 25-year-term of the New Lease is estimated to be between \$25 and \$6,700,000.

Upon approval and execution of the New Lease, the rent and any other payments will be credited to OC Flood Fund 400 and Real Estate Development Fund 135 in accordance with the terms set forth in the Lease. This revenue will be split between the Flood Control District and the County, with 35 percent going to Flood Control District Fund 400, and 65 percent to County Fund 135. There are no costs related to the proposed Recommended Actions. All improvements to the District-owned portion of Dad Miller Golf Course were previously constructed and will now be operated and maintained by City at the City's sole cost and expense. However, the District will continue to perform Flood Control Channel related maintenance operations on the site.

**STAFFING IMPACT:**

N/A

**REVIEWING AGENCIES/DEPARTMENTS:**

OC Public Works

**ATTACHMENTS:**

Attachment A - Location Map

Attachment B - Resolution

Attachment C - Lease

Attachment D - OC Flood Control Act