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Moraga Raises the Rent

By Sophie Braccini



Holes 13 and 14 (both par 5) are on part of the leased land at the MCC golf course, as photographed here from Mulholland Ridge. The Moraga Adobe is on the right. Photo Andy Scheck

and was Moraga's mayor when the final agreement was signed.

The state would not let the town resell the land immediately, Dessayer explains. Since the town didn't have the money to pay for the property, MCC took out a 20-year loan to fund the town's purchase of the land, and paid the town only a small administrative fee - \$4,200 per year - for use of those 60 acres. Under the agreement, "after 20 years, the town could raise the rent to market rate," he says.

The term of the contract is 75 years and it gives MCC first dibs on purchasing the property if the town ever decided to sell it. "But we (the Town Council at the time) recommended that it should remain a town asset and a source of revenue in perpetuity," adds Dessayer.

Because the state wanted that land to remain somewhat open space and in the public domain, the contract includes a few perks for Moraga residents, such as access to MCC's grounds for the annual Independence Day fireworks.

The agreement spelled out the process to re-evaluate the lease after 20 years. A group formed of town and MCC representatives met earlier in the year and on Oct. 22 the Town Council was asked to approve a new yearly rental rate. "In accordance with the land lease between the town and the country club, each party selected a qualified appraiser of their choice to determine what is the current market rate for renting this property," explained Stephanie Hom, Moraga's administrative services director. "If the difference between the two values was more than 40 percent, the two appraisers had to choose a third one to propose a new rate. The council would then decide a rent no higher than any of the two appraisals closest in value to each other."

The town's appraiser suggested a yearly rent of \$135,000, while MCC's appraiser estimated it at \$53,000. The third appraiser said that \$63,250 was the market rate and the council adopted that amount.

MCC general manager Andrew Scott urged the town to moderate its requirement, to no avail. When asked if the club had raised the question of buying the property, he replied, "The question of whether to purchase the land is really a separate issue that has surfaced previously and may

The Moraga Country Club has paid the Town of Moraga \$4,200 per year, for the last 20 years, as rent for roughly 60 acres of land on which holes nine to 18 of the golf course are situated. The complex deal is a remnant of the surrender of a freeway project that dates back to the 1970s. Now the town, carefully adhering to an agreement laid out more than 20 years ago, has increased the annual rent to \$63,250.

The stage was set in the '70s and the story played out as the 20th century wound down. The state had purchased land to build a highway in Moraga that was to run from Route 24 through the Gateway Valley (now the Wilder development), behind Miramonte High School, and down to Moraga Way. Due to lack of both funding and local consensus, the state finally abandoned the project in 1987 and proceeded with the sale of the land. "The property belonged to Caltrans, and as a municipality we had first right to buy it," recalls Al Dessayer, who participated in 12 years of negotiations with the state and the country club,

surface again. It is the board's issue to address if it so chooses."

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[back](#)

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