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Helix Water District Receives \$8 Million Payment in Land Sale Transaction Following 2014 El Monte Valley Court Settlement

La Mesa, CA. – Helix Water District received a long-anticipated \$8 million check on June 16th, officially marking the end of a six-year legal dispute over a 460-acre parcel of land the water agency owned in Lakeside’s El Monte Valley. The land sale is the result of a 2014 court settlement between Helix Water District and the El Capitan Golf Club. HWD finally received payment this week.

“Now board members have the task of deciding how to use the \$8 million to best serve Helix ratepayers. Some serious and thoughtful discussions are ahead,” says HWD Board President Joel Scalzitti. “We want to do what’s right for our customers. Receipt of this check means the disagreement over El Monte Valley is officially over and behind HWD.”

In 1997, El Capitan leased the El Monte Valley property from HWD with plans to develop a golf course. Those plans were abandoned in 2005. Three years later, El Capitan and HWD were locked in a costly and lengthy legal dispute over the El Monte Valley acreage. HWD agreed to a settlement to make possible the sale of land the district no longer needed and to avoid the expense of continued litigation.

The 2014 court-approved settlement allows El Capitan—which changed its name to El Monte Nature Preserve LLC—to purchase 460 acres at the appraised value. Although public agencies are not always required to get independent appraisals for transactions involving land sales, HWD did for this transaction. According to the settlement, El Capitan (El Monte Nature Preserve) was given until December 2017 to exercise its option to purchase the Lakeside property. A one million dollar option payment was paid to HWD when the agreement was executed in 2014.

Before completing the land sale, HWD was required by law to offer the property to other public agencies, including the San Diego River Conservancy. None chose to exercise the option.

HWD serves 273,000 people in La Mesa, Lemon Grove, El Cajon and Spring Valley, as well as areas of Santee, Lakeside and some of the unincorporated parts of San Diego County.