



*City of Arts & Innovation*

# City Council Memorandum

**TO: HONORABLE MAYOR AND CITY COUNCIL      DATE: JULY 5, 2022**

**FROM: PARKS, RECREATION & COMMUNITY SERVICES DEPARTMENT      WARD: 5**

**SUBJECT: FIRST AMENDMENT TO CROP MAINTENANCE AGREEMENT FOR "NEW GROVES" OF 20 ACRES OF LOTS 42 AND 48 OF BLOCK 32 TO EXTEND THE TERM THROUGH JUNE 30, 2023**

## **ISSUE:**

Approve the First Amendment to Crop Maintenance Agreement for "New Groves" of 20 acres of lots 42 and 48 of block 32 to extend the term through June 30, 2023.

## **RECOMMENDATIONS:**

That the City Council:

1. Approve the First Amendment to Crop Maintenance Agreement with Gless Ranch on 20 acres of lots 42 and 48 of block 32 to extend the term through June 30, 2023, using Section 1104(e) of Purchasing Resolution No. 23812; and
2. Authorize the City Manager, or designee, to execute the First Amendment, including making minor and non-substantive changes, and to sign all documents and instruments necessary to complete the transaction.

## **BACKGROUND:**

With 1988 bond funds, the City of Riverside (City) acquired approximately 66 acres of land planted with navel orange trees in connection with the granting of funds under Proposition 70 which are under the management of the Parks, Recreation and Community Services Department. The City currently has a profit-sharing lease with Gless Ranch on approximately twenty acres of this land. Under an informal arrangement, Gless Ranch has been handling all crop maintenance for the balance of the groves for the most part from the time they were acquired.

In 1998, the City acquired ten acres at the corner of Van Buren Boulevard and Dufferin Avenue. John Gless of Gless Ranch agreed to lease these 10 acres under a twenty year lease agreement to terminate on June 20, 2019. Once all costs incurred by Gless Ranch have been recovered, or upon termination of the agreement, the revenue produced by the grove will be shared between the City and Gless Ranch with each receiving fifty percent (50%) of the proceeds for each remaining crop year.

Gless Ranch has agreed to take over the costs and maintain the groves under the Crop

Maintenance Agreement dated March 22, 1999. The original term of the agreement was for one year with automatic one-year renewals with Gless Ranch receiving 50% of the net proceeds from the crops.

On March 12, 2002, City Council approved a second agreement to add “New Groves” of 20 acres of lots 42 and 48 of block 32 for a term of March 12, 2002, through June 30, 2022.

### **DISCUSSION:**

Gless Ranch has continued to operate and maintain the crop parcels identified as “new groves” in the Lease and Crop Agreement that will expire on June 30, 2022.

The amendment will allow the new groves to continue to be maintained by Gless Ranch and provide the opportunity for the City to prepare a request for proposal. City staff are currently in the process of drafting the request for proposal, which will be released in Fiscal Year 2022-2023.

Pursuant to Purchasing Resolution No. 23812, Section 1104(e), which states, “Modifications to a Purchase Order shall be made only by Change Order. Subject to the availability of funds, Change Orders may be utilized for purposes of...(5) modifying contract completion time of the term of an Contract...Unless otherwise specifically authorized by the Awarding Entity, Change Orders which cumulatively exceed the following will require Awarding Entity approval:...(e) Any Change Order which extends the time of completion beyond one year of the original date.”

The Purchasing Manager concurs that the recommendation is in compliance with Purchasing Resolution No. 23812, Section 1104(e).

### **STRATEGIC PLAN ALIGNMENT:**

The agreement with Gless Ranch, Inc. supports **Strategic Priority 1 – Arts, Culture and Recreation** and **goal 1.3** to “Improve parks, recreational amenities, open space, and trail development, and fulfill critical lifecycle and facility maintenance needs.”

This action aligns with each of the Cross-Cutting Threads as follows:

1. **Community Trust** – Ensuring groves are maintained benefits the community as a whole and ensure the lots are utilized for positive and productive use.
2. **Equity** – The partnership with Gless Ranch Inc., benefits the City as a whole preserving the City’s history with the orange industry.
3. **Fiscal Responsibility** – This agreement generates revenue for the City and allows the orange groves to continue to be maintained.
4. **Innovation** – The partnership with Gless Ranch Inc., allows the fields to continue to be maintained.
5. **Sustainability & Resiliency** – Maintenance of the parcel of land preserves the City’s history with the orange industry and preserves the fields for future generations.

**FISCAL IMPACT:**

The revenue projection includes payment of fifty percent of the “New Groves” net proceeds to the General Fund, PRCS Use of Money and Property, Land and Building Rental revenue account 5205000-373100.

Prepared by: Pamela Galera, Parks, Recreation and Community Services Director  
Certified as to  
availability of funds: Edward Enriquez, Interim Assistant City Manager/Chief Financial  
Officer/City Treasurer  
Approved by: Kris Martinez, Assistant City Manager  
Approved as to form: Phaedra A. Norton, City Attorney

Attachment: First Amendment to Crop Maintenance Agreement