

City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: MAY 19, 2020

**FROM: COMMUNITY & ECONOMIC DEVELOPMENT WARDS: ALL WARDS
DEPARTMENT**

SUBJECT: AGREEMENT OF PURCHASE AND SALE AND JOINT ESCROW INSTRUCTIONS WITH THE SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY FOR THE SALE OF A PARTIAL FEE INTEREST, A PERMANENT EASEMENT, AND A TWENTY-FOUR-MONTH TEMPORARY CONSTRUCTION EASEMENT ON A PORTION OF CITY-OWNED LAND LOCATED IN SAN BERNARDINO, IDENTIFIED AS ASSESSOR'S PARCEL NUMBER 0281-431-01, FOR THE REDLANDS PASSENGER RAIL PROJECT FOR TOTAL REVENUE OF \$60,500

ISSUE:

Approve the Agreement of Purchase and Sale and Joint Escrow Instructions with the San Bernardino County Transportation Authority for the sale of a partial fee interest, a permanent easement, and a twenty-four-month temporary construction easement on a portion of City-owned land located in San Bernardino, identified as Assessor's Parcel Number 0281-431-01, for the Redlands Passenger Rail Project for a total revenue of \$60,500.

RECOMMENDATIONS:

That the City Council:

1. Approve the Agreement of Purchase and Sale and Joint Escrow Instructions for the sale of a partial fee interest, a permanent easement, and a twenty-four-month temporary construction easement on a portion of City-owned land, identified as Assessor's Parcel Number 0281-431-01, located at 1295 S. Waterman Avenue in San Bernardino for the amount of \$60,500 in total revenue to the City; and
2. Authorize the City Manager, or his designee, to execute the Purchase and Sale and Joint Escrow Instructions with the San Bernardino County Transportation Authority, including making minor non-substantial changes, and to sign all documents necessary to complete the transaction.

BOARD RECOMMENDATIONS:

On April 27, 2020, the Board of Public Utilities unanimously recommended that the City Council

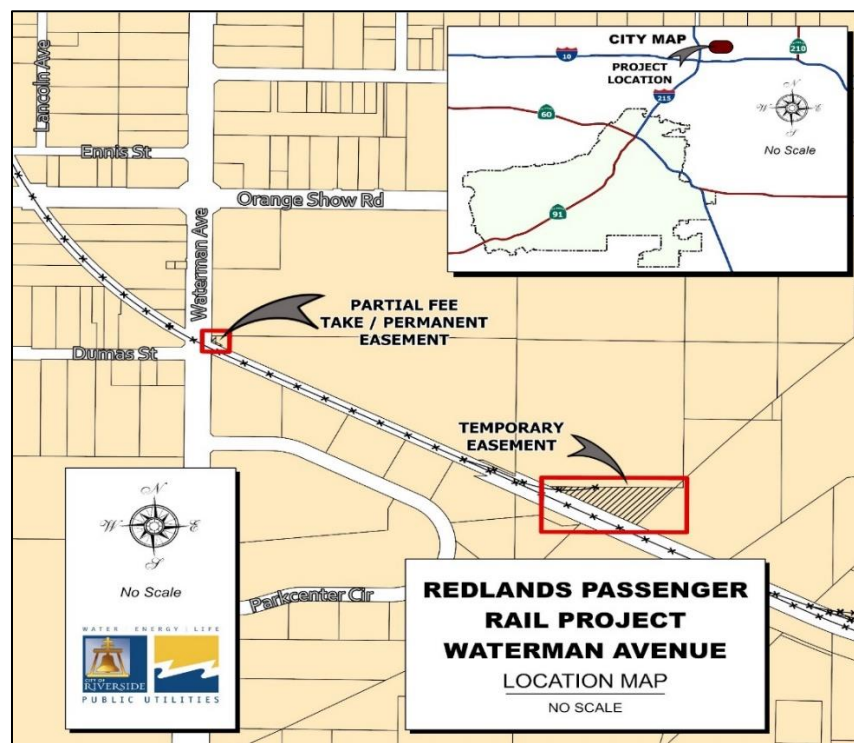
approve the Agreement of Purchase and Sale and Joint Escrow Instructions (Attachment 1) with the San Bernardino County Transportation Authority for the sale of a partial fee interest, a permanent easement, and a twenty-four-month temporary construction easement on a portion of Assessor's Parcel Number 0281-431-01 located at 1295 S. Waterman Avenue in San Bernardino for the amount of \$60,500 in revenue to the City.

BACKGROUND:

The San Bernardino County Transportation Authority (SBCTA) is continuing with plans to develop the Redlands Passenger Rail Project. The proposed project involves the extension of the passenger rail service along an approximate nine-mile corridor extending east from the San Bernardino Transit Center in the City of San Bernardino to the University of Redlands in the City of Redlands. On April 3, 2019, SBCTA adopted Resolutions of Necessity to acquire the real property interests from the City of Riverside (City) and has entered into a tolling agreement with the City to voluntarily resolve this matter in order to avoid filing an eminent domain action in court against the City.

DISCUSSION:

On January 31, 2018, the City received an offer from SBCTA to acquire a permanent easement, a temporary construction easement, and a small portion of City-owned land identified as Assessor's Parcel Number (APN) 0281-431-01 for \$54,600. The parcel is located at 1295 S. Waterman Avenue near the intersection of Waterman Avenue and East Orange Show Road in San Bernardino. It is part of the Raub Well Tract. The City's Public Utilities Department (RPU) has an active pipeline on the subject parcel and is partially occupied by a water treatment plant. The proposed easement areas are unoccupied and therefore will have no impact on the existing facilities located on the subject parcel.



SBCTA is seeking to acquire a partial fee interest, 385 square feet, as the Transfer Portion of the project for public use, a 472 square foot permanent easement for access for maintenance and emergency vehicle traffic, as well as a twenty-four-month 45,506 square foot temporary construction easement. The proposed interests are shown on the aerial site map above.

SBCTA will use part of the partial acquisition and permanent easement for signal equipment and for access. To avoid damaging the pipeline, SBCTA agrees that it will not use any heavy equipment nor place or operate any structures within a ten-foot radius of the north-eastern corner of the location of the permanent easement without prior written consent from the City.

On April 25, 2019, SBCTA submitted a revised purchase offer to the City in the total amount of \$60,500. Staff coordinated with SBCTA to reach mutually acceptable terms and conditions for conveyance for the partial acquisition, permanent easement, and temporary construction easement.

Staff has reviewed the offer and determined that the appraised value of \$60,500 for the sale of a partial fee interest, permanent easement, and temporary construction easement on a portion of APN 0281-431-01 represents the current fair market value for the real property interests and recommends acceptance. Approval of the Agreement of Purchase and Sale and Joint Escrow Instructions will allow dismissal of the eminent domain court case upon the close of escrow.

FISCAL IMPACT:

The total fiscal impact is an increase of \$60,500 of revenue to the City. Proceeds will be credited to the Water Fund – Sale of Land and Buildings Account No. 0000520-380010.

Prepared by:	David Welch, Community & Economic Development Director
Certified as to	
availability of funds:	Edward Enriquez, Chief Financial Officer/Treasurer
Approved by:	Rafael Guzman, Assistant City Manager
Approved as to form:	Gary G. Guess, City Attorney

Attachments:

1. Agreement of Purchase and Sale and Joint Escrow Instructions
2. RPU Board Meeting Minutes – April 27, 2020