



*City of Arts & Innovation*

# City Council Memorandum

**TO: HONORABLE MAYOR AND CITY COUNCIL      DATE: JULY 7, 2020**

**FROM: COMMUNITY & ECONOMIC DEVELOPMENT      WARD: 5**  
**DEPARTMENT**

**SUBJECT: LICENSE AGREEMENT WITH WEST COAST ARBORISTS, INC., A CALIFORNIA CORPORATION, FOR USE OF CITY OWNED PROPERTY LOCATED ON THE SOUTHEAST CORNER OF GIBSON STREET AND INDIANA AVENUE, ALSO KNOWN AS ASSESSOR PARCEL NUMBERS 233-170-002 AND 233-170-003, FOR A TWO-YEAR TERM – FOR A TOTAL REVENUE OF \$30,000.00**

## **ISSUE:**

Approve the License Agreement with West Coast Arborists, Inc., a California Corporation, for use of City owned property located on the southeast corner of Gibson Street and Indiana Avenue, also known as Assessor's Parcel Numbers 233-170-002 and 233-170-003, for a two-year term – for a total revenue of \$30,000.00.

## **RECOMMENDATIONS:**

That the City Council:

1. Approve the License Agreement with West Coast Arborists, Inc. for use of City owned property located on the southeast corner of Gibson Street and Indiana Avenue for a two-year term, generating a total revenue of \$30,000; and
2. Authorize the City Manager, or his designee, to execute the License Agreement, including making minor and non-substantive changes, and to sign all documents necessary to complete the transaction.

## **BOARD RECOMMENDATION**

On June 8, 2020 the Riverside Public Utilities Board recommend that City Council approve the License Agreement with West Coast Arborists, Inc. for use of City owned property located on the Southeast corner of Gibson Street and Indiana Avenue, also known as Assessor's Parcel Numbers 233-170-002 and 233-170-003, for a two-year term to generate a total revenue of \$30,000.00, by a vote of 8 Ayes, 0 Noes and 1 Absent.

## **BACKGROUND:**

On September 22, 2015, City Council approved a Purchase and Sale Agreement with the Brandon 2004 Trust and Traver Family Trust to acquire 1.5 acres of vacant land located at the southeast corner of Indiana Avenue and Gibson Street (Property), located adjacent to an active railroad line. Riverside Public Utilities (RPU) acquired the Property for the construction of a facility to house RPU's substation mobile equipment and critical spare equipment.

On February 16, 2018, Public Utilities posted Request for Proposal (RFP) No. 1789 for the construction of a single-story structure for the Substation Utility Storage Facility with the purpose of storing mobile substation equipment and other critical equipment. The Board of Public Utilities awarded the project to IDS Group Inc., of Irvine California on June 11, 2018.

## **DISCUSSION:**

IDS Group Inc. is providing professional architectural and engineering services for the City, including comprehensive schematic design, surveying, geotechnical investigations, laboratory tests of materials, inspections and reports, periodic field observations and records of as-built information. They will produce an approved complete drawing package and design development documents, detailed specifications and other documents required to form the basis of contract bids for the actual construction of the project and will be responsible for providing construction support during construction throughout the duration of the project.

Project design is ongoing and the start of construction on the site is anticipated to begin in the Fall of 2022. Currently, the property is vacant, and requires periodic maintenance to keep it free of trash, weeds, debris, illegal dumping, and homeless encampments. Since the Property is not a canal parcel, the calculation to establish a standard rental rate for canal parcels is not required. The proposed license agreement will provide \$15,000.00 of additional revenue annually from the otherwise idle property during the design phase of the project. Additionally, West Coast Arborists, Inc. will be responsible to provide secured fencing around the property and maintain its cleanliness saving RPU an estimated \$1,800.00 per year in maintenance costs.

## **FISCAL IMPACT:**

All rental revenue for use of the Property, estimated at \$30,000.00 for the two-year term, will be deposited into the Public Utilities Land and Building Rental Account No. 0000510-374200. It is anticipated that an estimated savings of \$1,800.00 annually will result from maintenance costs for weed abatement and periodic cleanup of the site being performed by West Coast Arborists instead of the City.

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

Attachment:

1. License Agreement, West Coast Arborists, Inc.
2. RPU Board Minutes – June 8, 2020