



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: DECEMBER 10, 2024

FROM: COMMUNITY & ECONOMIC DEVELOPMENT WARD: 2
DEPARTMENT

SUBJECT: PURCHASE AND SALE AGREEMENT WITH RIVERSIDE PACKING HOUSE, LLC FOR A THIRTY-SIX (36) MONTH TEMPORARY CONSTRUCTION EASEMENT LOCATED AT 3280 VINE STREET FOR THE THIRD STREET GRADE SEPARATION PROJECT, FEDERAL AID NUMBER CML 5058(081), FOR THE PURCHASE PRICE OF \$35,000

ISSUE:

Approve the Purchase and Sale Agreement with Riverside Packing House, LLC a thirty-six (36) month Temporary Construction Easement located at 3280 Vine Street for the Third Street Grade Separation Project, Federal Aid Number CML 5058(081), for the purchase price of \$35,000.

RECOMMENDATIONS:

That the City Council:

1. Approve the Purchase and Sale Agreement (Attachment 1 – Agreement) with Riverside Packing House, LLC for the acquisition of 3280 Vine Street, for the \$35,000; and
2. Authorize the City Manager, or his designee, to execute the Agreement with Riverside Packing House, LLC, including making minor and non-substantive changes and to sign all documents and instruments necessary to complete the transaction.

BACKGROUND:

On February 9, 2017, the Transportation Committee received a report to review and prioritize potential railroad grade separations along the Burlington Northern Santa Fe Railroad (BNSF) at Jackson Street, Mary Street, Spruce Street, and Third Street. The Transportation Committee unanimously recommended approval of the Third Street along the BNSF line as the top priority railroad grade separation. The item was approved by City Council on April 11, 2017.

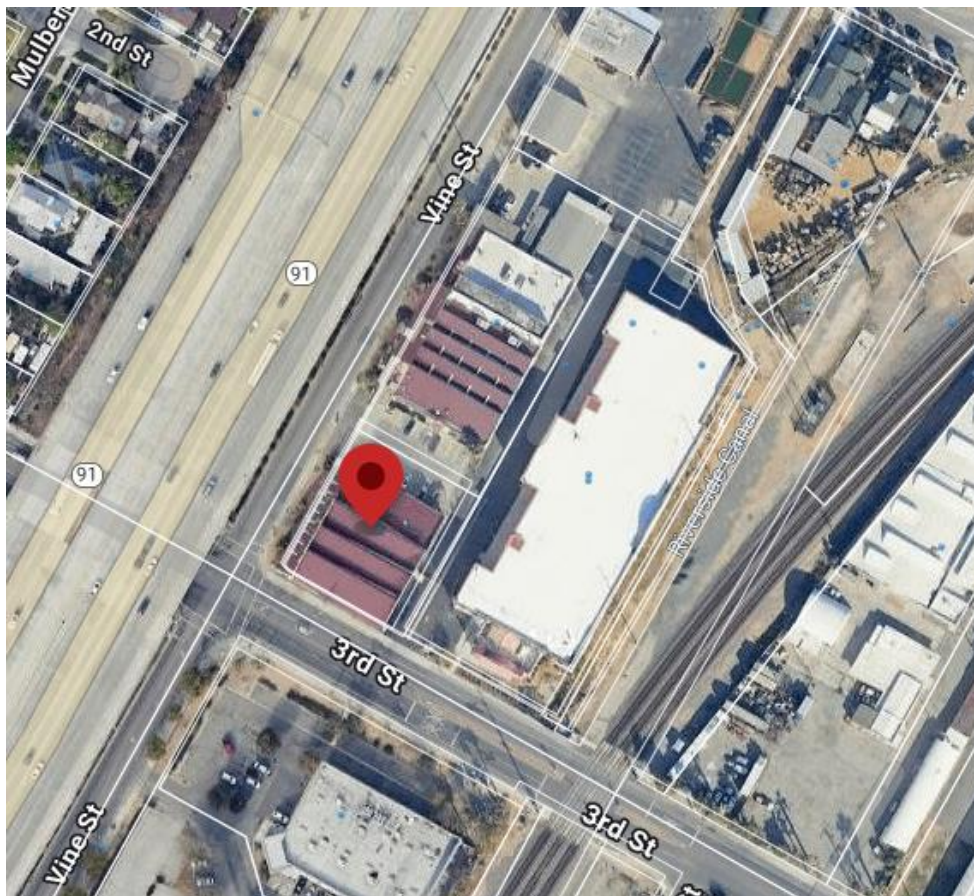
DISCUSSION:

The Third Street Grade Separation Project (Project) proposes to construct a railroad underpass

at the Third Street and the BNSF railroad tracks. Third Street will be lowered, and a bridge will be constructed to convey rail traffic. The Project will require the realignment of Commerce Street, construction of slopes, retaining walls, a storm water pump station, and relocation of wet and dry utilities. The City of Riverside’s Public Works Department (City) has identified several properties along Third Street to facilitate the Project.

The subject site (Property), which is required for the Project, is located at 3280 Vine Street on the northeast corner of Vine and Third Streets. The Property, as shown in the aerial below, is zoned Business and Manufacturing Park with a Commercial Retail overlay in the Hunter Industrial Park neighborhood. The Property is approximately 21,344 square feet and is improved with commercial development, Riverside Packing House.

The City is proposing to acquire a thirty-six (36) month, 1,462 square foot Temporary Construction Easement (TCE) including a portion of the asphalt driveway, approximately 1,062 square feet.



Staff obtained an independent third-party appraisal which valued the TCE and site improvement at \$35,000. Staff has determined that the \$35,000 represents the fair market value of the interest to be acquired.

The Director of Public Works concurs with the proposed Purchase and Sale Agreement.

STRATEGIC PLAN ALIGNMENT:

This item contributes to the Envision Riverside 2025 Strategic Plan, Priority No. 5 – High Performing Government. Specifically, Goal 5.4 – Achieving and maintaining financial health by addressing gaps between revenues and expenditures and aligning with the strategic priorities to yield the greatest impact.

The item aligns with each of the five Cross-Cutting Threads as follows:

1. **Community Trust** – The City is transparent and makes decisions based on sound policy, inclusive engagement, involvement of City Boards and Commissions, and reliable information. Approving the Agreement shows that the City serves the public interest that benefit the City’s diverse populations and result in the greater public good.
2. **Equity** – The City is supportive of the City’s racial, ethnic, religious, sexual orientation, identity, geographic, and other attributes of diversity. Approving the Agreement shows that the City is committed to advancing the fairness of treatment, recognition of rights, and equitable distribution of services ensuring that every member of the community has equal access to share in the benefits of community progress.
3. **Fiscal Responsibility** – The City is a prudent steward of public funds. Approving the Agreement ensures responsible management of the City’s financial resources while providing quality public services to all.
4. **Innovation** – The City is inventive and timeline in meeting the community’s changing needs. Approving the Agreement shows that the City prepares for the future through collaborative partnerships and adaptive processes.
5. **Sustainability & Resiliency** – The City is committed to meeting the needs of the present without compromising the needs of the future. Approving the Agreement ensures the City’s capacity to persevere, adapt and grow during good and difficult times alike.

FISCAL IMPACT:

The fiscal impact of the action is \$35,000 for the acquisition and approximately \$10,000 for the cost of escrow, title, and related fees for a total of \$45,000. Sufficient funds are budgeted and available in the Third Street Grade Separation project account numbers as listed in Table 1 below.

Table 1. Available Budget

Fund	Project	Account	Amount
TUMF	Third Street Grade Separation	9990119-440315	\$4,010,412.47
Capital Outlay-Grant		9990128-440126	\$17,820,035.00

Prepared by: Sheryn Smay, Supervising Real Property Agent
 Approved by: Jennifer A. Lilley, Community & Economic Development Director
 Certified as to availability of funds: Kristie Thomas, Finance Director/Assistant Chief Financial Officer
 Approved by: Mike Futrell, City Manager
 Approved as to form: Jack Liu, Interim City Attorney

Attachments:

1. Purchase and Sale Agreement – Riverside Packing House
2. Presentation

SS:
10/4/2024
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