



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: FEBRUARY 13, 2024

FROM: COMMUNITY AND ECONOMIC DEVELOPMENT WARDS: NONE

**SUBJECT: GRANT OF EASEMENT WITH SOUTHERN CALIFORNIA EDISON COMPANY
ON CITY OWNED PROPERTY FOR HIGH VOLTAGE ELECTRICAL SERVICES
TO POWER VEHICLE CHARGING STATIONS LOCATED AT 1388 SOUTH E.
STREET, SAN BERNARDINO, CALIFORNIA**

ISSUE:

Approve a Grant of Easement with Southern California Edison on City owned property for high voltage electrical services to power vehicle charging stations located at 1388 South E. Street, San Bernardino, California.

RECOMMENDATIONS:

That the City Council:

1. Approve a Grant of Easement with Southern California Edison Company and;
2. Authorize the City Manager, or designee, to execute the Grant of Easement with Southern California Edison, a corporation, including making minor, non-substantive changes, and to sign all documents and instruments necessary to complete the transaction.

BOARD RECOMMENDATION:

On February 12, 2024 the Board of Public Utilities will hear this item for consideration to recommend to City Council to approve a Grant of Easement with Southern California Edison Company. As a result of the timing of this Report publication on February 1, 2024 and the Board's review of this item on February 12, 2024, the Board's recommendation is not known. The outcome of the Board's decision will be available at the City Council meeting on February 13, 2024.

Further explanation for the compressed schedule review time is provided in the Background Section below.

BACKGROUND:

Riverside (City) owns the 4.2-acre property at 1388 South E. Street, San Bernardino, which is adjacent to the 215 Freeway, south of Orange Show Road, and under the control of RPU Water

Division. In 1971, the City signed a lease agreement with Holiday Oldsmobile to rent the site. Holiday Oldsmobile subsequently sold its business to Center Chevrolet, which filed for bankruptcy in 2008 and abandoned the site and its buildings. The abandoned business buildings, which needed significant repair, became a magnet for graffiti, vagrancy, and vandalism and were demolished in 2010 to reduce the City's liability. This property has remained vacant ever since.

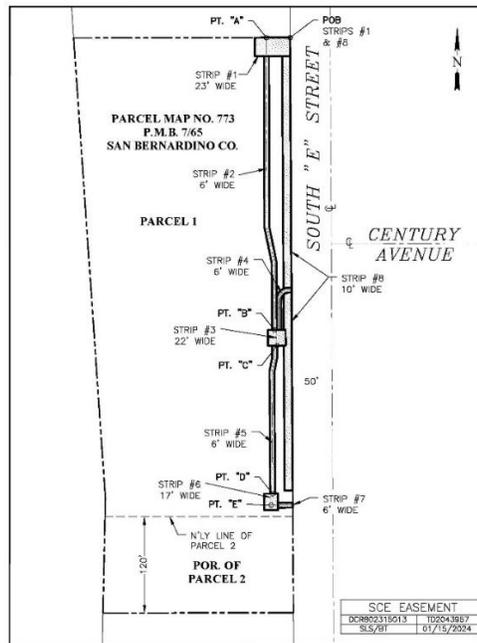
On January 9, 2017, the RPU Board recommended approval of a 5-year Lease Agreement with Drivetime Car Sales Company, LLC, which the City Council approved on January 24, 2017; however, the lease was terminated before the Lessee took possession of the property. On September 13, 2021, the RPU Board recommended approval of a 15-year Commercial Lease Agreement with WattEV, SB1, Inc., with three optional five-year extensions, which the City Council approved on October 12, 2021. WattEV, SB1, Inc. plans to operate a sizeable electrical vehicle charging station, which requires a high-voltage electrical service from Southern California Edison (SCE). WattEV, SB1, Inc. worked with SCE to design, construct, and energize the needed high-voltage electrical service.

On May 22, 2023, the RPU Board recommended approval of a First Amendment to Commercial Lease Agreement with WattEV, SB1, Inc., amending the Rent Commencement date from February 12, 2023, to October 1, 2023, and amending the expiration date from February 11, 2038, to September 30, 2038, which City Council approved on June 20, 2023.

On January 23, 2024, The City Council voted to approve changes to Resolution No. 23976 – City Council Rules of Procedure and Order of Business. With this approval the regularly scheduled City Council meeting of February 20, was cancelled as it falls on a Tuesday following a Monday holiday. The schedule change does not leave the one-week in between the Board of Public Utilities and City Council meeting dates for this item to be considered. The urgency of this item is due to Watt-EV needing to complete the project in its entirety before their scheduled grand opening in March 2024.

DISCUSSION:

On December 6, 2023, WattEV SB1, Inc. sent a request to the City for a Grant of Easement with SCE. The easement is solely to provide the required high-voltage electrical services to power the vehicle charging stations for WattEV's facility and permit the use of the property per the fully executed Lease Agreement. SCE requires an easement for commercial sites when electrical services are higher-than-normal voltages. RPU staff agrees with the proposed Grant of Easement for Vehicle Charging Stations for WattEV SB1, Inc. The diagram below shows the requested SCE Easement.



STRATEGIC PLAN ALIGNMENT:

The proposed Grant of Easement with SCE aligns with Strategic Priority No. 6 Infrastructure, Mobility & Connectivity and contributes to the achievement of Goal No. 6.2 - Maintain, protect, and improve assets and infrastructure within the City’s built environment to ensure and enhance reliability, resiliency, sustainability, and facilitate connectivity.

The proposed Grant of Easement with SCE, also aligns with EACH of the five Cross-Cutting Threads as follows:

1. **Community Trust** – The Grant of Easement confirms that the City is a good steward of real property assets for the benefit of RPU’s ratepayers.
2. **Equity** – The Grant of Easement demonstrates that Riverside is fair, collaborative, and equitable in distribution of services, which ensures that every member of the community has equal access to share the benefits of community progress.
3. **Fiscal Responsibility** – The Grant of Easement provides that Riverside is a prudent steward of public funds and ensures responsible management of the City’s financial and property resources.
4. **Innovation** – The Grant of Easement provides that Riverside continues to be innovative by partnering with Watt-EV SB 1, Inc. to offer charging stations for medium and heavy-duty electric vehicles, which will reduce the carbon footprint in a neighboring city and demonstrates that Riverside is on the forefront of innovative strategies for clean businesses.
5. **Sustainability & Resiliency** – The Grant of Easement will ensure present and future reliability, resiliency, and sustainability for this City-owned property. Moreover, the Grant of Easement as previously noted, also demonstrates the City’s commitment to reducing the carbon footprint in a neighboring city.

FISCAL IMPACT:

There is no fiscal impact report associated with this Grant of Easement.

Prepared by: Benjamin Morales, Real Property Services Manager
Approved by: Jennifer A. Lilley, AICP, Director Community & Economic Development
Department

Certified as to
availability of funds: Kristie Thomas, Finance Director / Assistant Chief Financial Officer
Approved by: Rafael Guzman, Assistant City Manager
Approved as to form: Phaedra A. Norton, City Attorney

Attachments:

1. Location Map
2. Grant of Easement with Southern California Edison
3. Plat Map
4. Presentation