



Legislation Text

File #: 18-2080, Version: 1

**AGENDA REPORT
REQUEST FOR CITY COUNCIL ACTION**

DATE: 9/5/2018

TO: Honorable Mayor and City Council Members

FROM: Maintenance Services

SUBJECT:

City Council consideration of a License Agreement for Use of City Real Property Located at 715 West Rincon Avenue between the City of Corona and Pacific Utility Installation, Inc.

RECOMMENDED ACTION:

That the City Council:

1. Approve the License Agreement for Use of City Real Property Located at 715 West Rincon Avenue between the City of Corona and Pacific Utility Installation, Inc.
2. Approve for the effective date of the agreement to be retroactive to September 1, 2018.
3. Authorize the City Manager to execute the Agreement.
4. Authorize an estimated revenue increase of \$75,000 in the General Fund for Fiscal Year 2018-19.
5. Authorize the City Manager and City Attorney to negotiate and execute any amendments to the License Agreement which are either non-substantive or are otherwise in compliance with City Council's actions hereunder.

ANALYSIS:

The City of Corona owns certain real property and desires to lease said property estimated in size to be approximately 61,320 square feet of vacant land located at 715 West Rincon Avenue (APN 119-190-027) in the City of Corona, California the City has entered negotiations with Pacific Utility Installation, Inc. (PUI) who desires to use the Licensed Land for the sole purpose of storing electrical equipment, trucks and spare electrical parts, including, but not limited to, transformers and cabling. The City is willing to allow PUI to use the Licensed Land for such purposes, pursuant to the terms and conditions set forth in the Agreement titled:

CITY OF CORONA
LICENSE AGREEMENT
FOR USE OF CITY REAL PROPERTY (UCRPLA)
(PACIFIC UTILITY INSTALLATION, INC.)
(715 W. RINCON STREET)

Within 180 days of the commencement of the Initial Term, Licensee shall, at its sole cost and expense, install and/or construct on the Licensed Land the improvements described below, which are further described and depicted on Exhibit "B" and incorporated herein by reference ("Licensee Improvements"):

- (a) Four (4) individual LED light poles/standards at or near the locations illustrated on Exhibit "B" with the make and model of such light poles/standards to be approved by Licenser;
- (b) Two inch (2") electrical conduit at or near the locations illustrated on Exhibit "B";
- (c) A meter pedestal for the electrical service provided to the Licensed Land;
- (d) A transformer, if required by Southern California Edison; and
- (e) Fencing, minimum 6 feet in height and constructed of chain link and barbed wire, along the property line on the north side of the Licensed Land. Barbed or razor wire, which complies with all applicable City laws, rules and regulations, may be installed along the top of the fencing installed by Licensee.

COMMITTEE ACTION:
Not applicable.

STRATEGIC PLAN:
Not applicable.

FISCAL IMPACT:

The revenue generated from the initial two-year lease agreement is \$180,000, which shall be received by the General Fund. The base rent will increase 4% upon each renewal term starting September 1, 2020. Approval of this item will authorize a General Fund revenue increase of \$75,000 for Fiscal Year 2018-19.

GENERAL FUND	
Budget Workshop May 23, 2018 - Est. Revenue Over Expenditures	\$6,626,911
Previously approved budget adjustments (net)	(6,195,285)
Revised Estimated Revenue Over Expenditures *	\$431,626
Lease Agreement - Revenues	75,000
Revised Estimated Revenue Over Expenditures *	\$506,626
Estimated Budget Balancing Measures Reserve 06/30/18	\$20,645,252
Estimated FY 2018-19 Change in Budget Balancing Measures Reserve	506,626
Estimated Budget Balancing Measures Reserve 6/30/19	\$21,151,878

*Includes additional General Fund items on the September 5, 2018 City Council agenda.

ENVIRONMENTAL ANALYSIS:

No environmental review is required because the proposed action is not a project governed by the California Environmental Quality Act.

PREPARED BY: TOM MOODY, GENERAL MANAGER

REVIEWED BY: KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

REVIEWED BY: MICHELE NISSEN, ASSISTANT CITY MANAGER

SUBMITTED BY: DARRELL TALBERT, CITY MANAGER