



## CITY OF GLENDALE, CALIFORNIA REPORT TO THE CITY COUNCIL

### AGENDA ITEM

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Report: Lease Agreement between the City of Glendale and Southern California Edison Company for use of real properties for the purpose of constructing a passive park.

1. Motion authorizing the City Manager, or his designee, to negotiate and execute a Lease Agreement between the City of Glendale and Southern California Edison (SCE) for use of SCE-owned real properties with Assessor's Parcel Numbers 5653-001-800 and 5616-003-800 for the purpose of developing a passive park.

### COUNCIL ACTION

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**Item Type:** Action Item

**Approved for** \_\_\_\_\_ **May 23, 2023** \_\_\_\_\_ **calendar**

### EXECUTIVE SUMMARY

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The City of Glendale has received conceptual approval from SCE to enter into a lease agreement to develop a passive park on SCE-owned properties located north of Glorietta Park (see Exhibit 1 (Parcel Maps)). The lease would allow for development of a new 2.35-acre passive park (see Exhibit 2 (Concept Site Plan)).

The City has an existing lease agreement with SCE for a portion of Glorietta Park, with an annual payment of \$1,134 in 2022. Community Services & Parks (CSP) staff expects a similar annual fee for this lease agreement. CSP is seeking Council's authorization for the City Manager to negotiate and execute a lease agreement with SCE for a new park site. If Council grants such authorization, staff will bring a subsequent report related to site development. Based on the Concept Site Plan (Exhibit 2), CSP is anticipating future park development costs of approximately \$1.5-\$1.7 million. With a lease agreement in place, the City will be eligible to apply for grant and other funding opportunities to develop the park project.

### COUNCIL PRIORITIES

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**Environmental Stewardship:** A new, passive park will provide community members with a space for respite and an opportunity for the planting of new trees and shrubs, that will have many co-benefits, including habitat for wildlife, shade, generation of oxygen, and removal of pollutants from the air and carbon sequestration. Installation of interpretive signage offers the community opportunities to learn about and appreciate nature and to learn about environmental issues and potential sustainable solutions to those issues.

## **RECOMMENDATION**

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Adopt a motion authorizing the City Manager or his designee to negotiate and execute a Lease Agreement between the City of Glendale and SCE for use of SCE-owned real properties with Assessor's Parcel Numbers 5653-001-800 and 5616-003-800 for the purpose of developing a passive park.

## **BACKGROUND**

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The City of Glendale has an existing lease agreement with SCE for a 2.25-acre portion of Glorietta Park that was last renewed in 2018. The agreement outlines the required terms of the lease, including the purpose (for park and public recreation) and term (5 years). The current lease states that any site improvements require prior licensor approval (requiring submission of complete improvement plans within a minimum of sixty days prior to making any use of the property), and that the licensor may require modification or removal of any improvements at licensee's risk and expense. The current lease also contains provisions related to the height limitations and vertical clearances, as well as access and horizontal clearances for the site, and provides that the licensee is responsible for weed abatement for the site. Annual payments for the lease have ranged from \$1,008 in 2008 to \$1,134 in 2022. Either party may terminate the agreement at any time upon thirty days' notice in writing. The lease also states subsequent agreements for use of the site are not guaranteed. However, any future lease of property for the development of this passive park may differ from the existing lease agreement for portions of Glorietta Park, in that provisions will be requested to protect the City's significant investment in developing the park.

SCE will not execute a lease agreement until a site plan identifying what the City is proposing on SCE property is received and approved. The City started engaging SCE regarding the subject properties in August of 2021. Based on SCE's constraints, standards, and guidelines, the City prepared a Concept Site Plan (Exhibit 2) – a park improvement concept plan for the site. In January 2022, SCE provided conceptual approval of the Concept Site Plan.

## **ANALYSIS**

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As noted above, CSP staff developed a Concept Site Plan based on SCE lease requirements and received conceptual approval from SCE to enter into a lease agreement for the subject properties. CSP has experience managing lease agreements with SCE for park projects (i.e. Glorietta Park) and is confident in its ability to develop and maintain a passive park in line with SCE lease requirements for the public to enjoy. SCE has indicated that it will lease the properties to the City for an annual cost of \$1,191.68, with 5% annual increases thereafter.

Based on the Concept Site Plan, CSP is anticipating park development costs of approximately \$1.5-\$1.7 million. With a lease agreement in place, the City will be eligible to apply for grants and other funding to develop the park project.

### **STAKEHOLDERS/OUTREACH**

While SCE has provided conceptual approval for the Concept Site Plan, CSP intends to get community input to finalize the site design within SCE development guidelines. Several methods will be included in the outreach plan for future park development, including: social media, department newsletters and website, and public informational meetings that are concurrent with current departmental outreach, including Parks, Recreation and Community Services Commission, City Council, neighborhood associations, and other local community groups.

### **FISCAL IMPACT**

Costs associated with entering into a lease agreement with SCE include annual payments starting at \$1,191.68, with 5% annual increases thereafter. Development costs will be determined once the agreement is in place.

Funding in the amount of \$1,191.68 is currently available as follows:

<b>Existing Appropriation</b>		
<b>Amount</b>	<b>Account String</b>	<b>Funding Source</b>
\$1,191.68	43070-1010-CSP-3008-P5150-T0000-P0000	General Fund

### **ENVIRONMENTAL REVIEW (CEQA/NEPA)**

The execution of a lease agreement for development of a passive park is exempt from further CEQA review pursuant to Section 15316 (Transfer of Ownership of Land in Order to Create Parks) of the CEQA Guidelines (Title 14 of the California Code of Regulations) because it consists of leasing of land in order to establish a park where the land is in a natural condition or contains historical or archaeological resources and the management plan for the park has not been prepared. CEQA will apply if/when a management plan is proposed that will change the area from its natural condition or cause substantial adverse change in the significance of the historic or archaeological resource. CSP staff will conduct additional CEQA review if, when the management plan for the park is proposed, the management plan proposes changing the area from its natural condition or causes substantial adverse change in the significance of a historic or archaeological resource.

### **CAMPAIGN DISCLOSURE**

N/A.

## **ALTERNATIVES**

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Alternative 1: Authorize the City Manager to negotiate and execute a lease agreement with SCE for the subject parcels in order to develop a passive park.

Alternative 2: Do not authorize the City Manager to negotiate and execute a lease agreement with SCE for the subject parcels. In that case, the properties would remain as-is, and not be available for use by the community as a park.

Alternative 3: Consider any other alternative not proposed by staff.

## **EXHIBITS/ATTACHMENTS**

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Exhibit 1: Parcel Maps for properties (AP Nos. 5653-001-800 and 5616-003-800);

Exhibit 2: Concept Site Plan.