



City of Rialto

Legislation Details (With Text)

File #: 21-0915 **Version:** 1 **Name:**
Type: Resolution **Status:** Adopted
File created: 11/29/2021 **In control:** City Council
On agenda: 12/14/2021 **Final action:** 12/14/2021
Title: Request City Council to: (1) Adopt Resolution No. 7816 Amending the 2021-2022 Fiscal Year Budget Associated with the Purchase and Sale of City Properties; and (2) Authorize the City Manager to Execute All Documents.
(ACTION)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Budget Resolution.pdf

Date	Ver.	Action By	Action	Result
12/14/2021	1	City Council		

For City Council Meeting [December 14, 2021]

TO: Honorable Mayor and City Council

FROM: Marcus Fuller, City Manager

Request City Council to: (1) Adopt **Resolution No. 7816** Amending the 2021-2022 Fiscal Year Budget Associated with the Purchase and Sale of City Properties; and (2) Authorize the City Manager to Execute All Documents.
(ACTION)

BACKGROUND:

In the past year, the City Council approved the purchase and sale of City properties for future development.

Specifically, on November 11, 2020, the City Council by action in closed session and reported out on the same date approved the sale of 13.2 acres of vacant land owned by the City located along Casmalia Street west of Alder Avenue to The Distributor's Inc. at the purchase price of \$3,600,000.

Also, on April 27, 2021, the City Council provided direction in closed session on the purchase of commercial property located directly north of the Metrolink station at 241 S. Palm Ave. and 239-249 S. Orange Ave. at the purchase price of \$2,000,000. The agreement was later executed and the action reported out on October 26, 2021.

ANALYSIS/DISCUSSION:

The adopted Fiscal Year 2021/2022 Budget did not budget estimated revenues from the sale of real property by the City, nor the estimated expenditures due to the purchase of real property by the City. Revenue and expenditures from the purchase and sale of real property are realized at the time escrow closes.

The transactions related to these two real property items are scheduled to close, and the Fiscal Year 2021/2022 Budget will be amended to reflect the revenue and expenditures related thereto.

ENVIRONMENTAL IMPACT:

The request is not a “Project” as defined by the California Environmental Quality Act (CEQA). Pursuant to Section 15378(a), a “Project” means the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. According to Section 15378(b), a Project does not include: (5) Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

GENERAL PLAN CONSISTENCY

Complies with the following Rialto General Plan Guiding Principle:

Our Government will lead by example, and will operate in an open, transparent, and responsive manner that meets the needs of the citizens and is a good place to do business.

LEGAL REVIEW:

The City Attorney reviewed and recommends approval of the staff report and resolution.

FINANCIAL IMPACT:

Operating Budget Impact

The sale of vacant City property located on Casmalia Street west of Alder Avenue will generate estimated revenue of \$3,375,000 after escrow and related costs.

The purchase of the commercial properties located at 241 S. Palm Ave. and 239-249 S. Orange Ave. will require an expenditure in the amount of \$2,014,100 after escrow and related costs.

Upon close of escrow of the real properties located at 241 S. Palm Ave. and 239-249 S. Orange Ave. the City will also incur operational expenses related to maintenance associated with the property. As the City Council’s intention is to acquire for future development, these costs not yet determined will only continue insofar as the City retains ownership.

Capital Improvement Budget Impact

None.

Business License

Not applicable.

RECOMMENDATION:

Staff recommends that the City Council:

- 1) Adopt the Resolution amending the 2021-2022 Fiscal Year Associated with the Purchase and Sale of City Properties; and
- 2) Authorize the City Manager to Execute All Documents