



City of Rialto

Legislation Text

File #: 17-1113, **Version:** 1

For: City Council Meeting [December 12, 2017]
TO: Honorable Mayor and City Council
APPROVAL: Michael Story, City Administrator
FROM: Robb R. Steel, Assistant CA/Development Services Director

Request City Council to Adopt **Resolution No. 7257** Approving a Ground Lease with LHR Renaissance Marketplace South, LLC for the installation of three freeway-oriented signs on City property situated north of Renaissance Parkway, just east of Linden Avenue.

BACKGROUND:

LHR Renaissance Marketplace South, LLC (LHR) proposes to open the Renaissance Marketplace retail center in 2018. The project includes freeway-oriented signs along the 210 Freeway between Linden Avenue and Ayala Drive. LHR proposes to locate the three freeway signs on City property ("City Property") situated south of the 210 Freeway, north of Renaissance Parkway, and east of Linden Avenue, and west of the Renaissance Marketplace North.

The City obtained the City Property from Caltrans as part of the 210 Freeway development (relinquishment per Memorandum of Understanding dated May 6, 2008 between the California Department of Transportation and the City and Relinquishment of Highway Right of Way recorded on July 9, 2008 with the County of San Bernardino Recorder Office as Recorder No. 2008-0309692). Attached hereto is a site map (**Exhibit A**) showing the sign locations and the sign designs (**Exhibit B**).

The City Property consists of an approximately 8-foot wide landscape strip on the north side of Renaissance Parkway running a distance of approximately 694 lineal feet from Linden Avenue to the westerly edge of the Renaissance Marketplace North Shopping Center. The strip slopes up to the Caltrans right-of-way for most of the distance. LHR will construct the freeway signs within these slopes and within the required landscape easement for Renaissance Parkway.

ANALYSIS/DISCUSSION:

A Ground Lease (**Exhibit C**) facilitates the construction of the freeway signs proposed on the City Property. The Ground Lease provides for a term of 55 years with nominal lease consideration of \$550 to the City.

The freeway signs straddle the sidewalk on the north side of Renaissance Parkway. The westerly sign is approximately 100 feet east of Linden Avenue and encompasses a total area of approximately 980 square feet. The structure is roughly 35 feet tall and 14 feet wide. The next sign is roughly 600 feet east of Linden Avenue and the third sign approximately 800 feet east of Linden Avenue. Both

signs encompass 600 square feet with a height of 25 feet and width of 12 feet.

The freeway signs serve several purposes benefiting the City. First, the signs identify the retailers within the Renaissance Marketplace. Secondly, the signs provide a marketing opportunity for the City to capture Renaissance Marketplace patrons that might otherwise pass the center because of the below grade 210 Freeway. Finally, the increased patronage will increase sales taxes for the City.

The City will annex the City Property into the Lighting and Landscaping Maintenance District and Renaissance Marketplace North shall accept the assessments; or alternatively, LHR agrees to maintain the City Property and pay all utilities associated with sign operation and landscape maintenance.

LHR shall obtain all necessary permits from the City prior to installing the signs and provide requisite insurance certificates.

ENVIRONMENTAL IMPACT:

The proposed project is a portion of the Renaissance Marketplace project that has previously analyzed pursuant to the requirements of the California Environmental Quality Act (CEQA) and no further action is required (E.A.R. 16-55).

GENERAL PLAN CONSISTENCY:

The project is consistent with the following goals of the Land Use Element and Economic Development Element of the Rialto General Plan:

- **Goal 2-16:** Improve the architectural and design quality of development in Rialto.
- **Goal 3-1:** Strengthen and diversify the economic base and employment opportunities, and maintain a positive business climate.

LEGAL REVIEW:

The City Attorney participated in the negotiation of the Ground Lease, and reviewed and approved the staff report.

FINANCIAL IMPACT:

The proposed Ground Lease will have no direct impact on City finances, as LHR will bear all costs of construction, operation, and maintenance. LHR shall assume responsibility for landscape maintenance of an area that would otherwise be a City responsibility, thereby saving future maintenance costs. LHR will pay \$550 as nominal consideration for the 55-year term of the lease.

LHR will bear all costs associated with the ground lease, sign easement agreement, construction of the freeway-oriented signs, maintenance, and repair of said signs and ultimately the removal of the signs.

RECOMMENDATION:

Staff recommends that the City Council adopt Resolution No. ____ (**Exhibit D**) approving a Ground Lease with LHR Renaissance Marketplace South, LLC for the installation of three freeway-oriented signs on City property situated north of Renaissance Parkway, just east of Linden Avenue.

