

CITY COUNCIL

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Reso No. _____

File No. _____

Ord No. _____

Agenda Item No.: 12

Date: March 9, 2011

TO: Honorable Mayor and Members of the City Council

FROM: Lori Vereker, Director of Utilities
Joyce Masterson, Assistant to the City Manager

SUBJECT: Termination of the Charros Lease

RECOMMENDATION:

It is requested that Council authorize staff to proceed with the termination of the Charros Association's lease to allow for the construction of a Water Distribution Division administration and operations building.

FISCAL ANALYSIS:

The Charros Association currently leases the property for \$1 per year.

PREVIOUS ACTION:

None

BACKGROUND:

At the January 6, 2010, City Council meeting Staff was asked to look at options to relocate the City's Public Works Yard, currently located at 475 N. Spruce Street. A formal presentation updating the Council on the potential costs was presented on June 23, 2010. At that time, Staff noted that rather than relocate to one large facility, the divisions currently housed at the yard (Community Services, Wastewater Collections, and Water Distribution) could be moved to three smaller facilities. The Utilities Division recommended relocating the Wastewater Collections Division to a building to be constructed at the Hale Avenue Resource Recovery Facility, as well as relocating the Water Distribution staff to city-owned property near the Water Treatment Plant.

The city-owned property currently leased to the Charros Association is the intended location of the new Water Distribution building. The Charros Association has leased this property from the City for almost 40 years for \$1 per year. The City Council policy is to seek market rates on all city-owned properties. If the Charros are allowed to stay, we would need to determine the market value of the land and enter a new agreement for that amount.

The Charros were informally notified last summer about the need to relocate and written notice was given on September 23, 2010 advising them that their lease would be terminated effective December 31, 2010. In mid-December a representative of the Charros Association asked if they could be given an extension until January 17, 2011 which was granted. At the January 12, 2011 meeting, City Council asked that the issue of the termination of Charros' lease be placed on a future meeting agenda.

Selection of Site for Water Distribution Building

When the Utilities Staff was evaluating potential sites in 2010 for the relocation of the Water Distribution staff, cost was a major consideration. The amount of property required is approximately 5 acres. Staff estimated that approximately \$3,000,000 would be needed for land acquisition alone. As a result, Staff focused on using existing city-owned properties in order to eliminate the cost of purchasing property. The city-owned Charros site was determined to be a suitable location because it had sufficient acreage. Also, its close proximity to the Water Treatment Plant was viewed as a benefit because it may allow for organizational efficiencies, including economies with supervision and security. The Water Treatment Plant is staffed 24 hours a day with personnel and security cameras providing additional site security. It should be noted that the project is in its earliest conceptual stages. No architect has been hired, nor have any drawings been developed. As we begin the design phase, the project will go through the normal review process, including Design Review Board, Planning Commission and City Council. However, Staff intends for the building to be constructed in a way so that it is not very visible from the street. Traffic will be mostly water distribution vehicles (pick up trucks) and the occasional pipe or sand delivery. Since the City is responsible for the enforcement of city-wide stormwater regulations, strict compliance will be implemented. The final location of the storage yard has not yet been determined and is dependent upon the final layout of the building.

Since the January 12, 2011 Council meeting, staff has been exploring other possible sites for the Water Distribution building. Those sites were: 950 W. Washington; 2351 Meyers Avenue; 2181 Meyers Avenue; and 635 W. Third. Staff members are still finalizing the assessment of those properties as to costs. That information will be provided to Council during the staff presentation.

Potential relocation sites for Charros:

City Staff also explored the potential relocation of the Charros to other city-owned properties using the following parameters:

Site Characteristics:

In general, the Charros need a fairly large, flat site with enough room to park horse trailers and vehicles, as well as good access for horse trailers (not too steep, windy or narrow).

Zoning Issues:

The closest comparable land use classification is a sports arena. This would not be allowed in residential zones, though we might be able to consider it in the R-A zone (Residential Agriculture) with a Conditional Use Permit (CUP), particularly if tied to some kind of professional school, youth organization or animal specialty. Sports and recreation facilities are allowed in the General Commercial (CG) zone with a CUP. We are also proposing to allow ballparks and stadiums in the industrial zones (M-1, M-2 and IP) with a CUP. The use could also be allowed in the Open Space zone (which is the zoning for most of our parks); it would be permitted on public land and require a CUP if it is a private recreational use. A CUP likely will be required wherever they relocate. The CUP would address parking, circulation, operating hours and activities, and all the related operational conditions.

With those considerations in mind, the staff reviewed the following city-owned properties:

- The area immediately adjacent to the firearms range was explored due to its rural nature. However, after considering a number of specific site factors, the site presented a very low development potential and potentially high cost for even the occasional event involving rodeo activities. Specific site conditions include:
 - A sufficient distance (buffer zone) should be maintained to provide the highest margin of safety and security considering the use of live ammunition, breach explosives and chemical agents. The range does not have the physical attributes necessary for this type of shared use (parking accommodations, space for event arena, patron assembly points and animal staging areas). Schedule coordination would be difficult considering range use by Escondido and allied agency staffs. The sporadic and explosive sounds generated by the range would likely be unsettling to humans and horses alike.
 - Site areas needed for use exceeds a three percent grade differential requiring earth work
 - The site may fail to meet minimum acreage criteria for event staging, arena size, parking and patron accommodations
 - Water drainage and rains run off portions of the site as sheet flow due to the slope into one of the creeks
 - The existing road access is an approximated six percent grade requiring road surface upgrades, improved safety features and features for habitat protection
 - Fire mitigation and protection upgrades

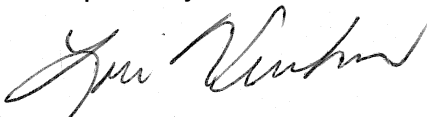
- Traffic safety, ingress and egress modifications for truck and trailer use, traffic flow and parking
- Environmental analysis, use permits, study and restrictions
- Utilities are not present
- The San Pasqual area initially appeared to be a potential fit, but unfortunately the City-owned land in this area is conserved for habitat purposes. The available privately-owned land is within the County jurisdiction, not the City's.
- The Mayflower Oak tree area was considered but eliminated. The area may be needed for temporary parking and material laydown during construction of the water distribution building. In addition, the Hidden Valley Dog Obedience club previously has expressed interest in expanding there.
- A remnant parcel created by the Citracado Parkway extension (currently used as the HARRF access road) is targeted for use by the Utilities Division.

Staff has determined that no other city-owned property meeting the Charros' site requirements is available.

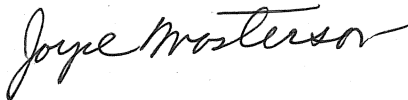
RECOMMENDATION:

Staff recommends that Council authorize staff to proceed with the termination of the lease with the Charros Association to allow for the construction of a Water Distribution building.

Respectfully submitted,



Lori Vereker
Director of Utilities



Joyce Masterson
Assistant to the City Manager