

Agenda Report

January 22, 2024

TO: Honorable Mayor and City Council

FROM: Water and Power Department

SUBJECT: AUTHORIZATION TO EXECUTE A TRANSFER AGREEMENT FOR THE VACANT LAND PARCEL LOCATED AT 2825 E. WALNUT STREET FROM THE GENERAL FUND TO WATER AND POWER DEPARTMENT FOR AN AMOUNT NOT TO EXCEED \$2.12 MILLION

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is categorically exempt from the California Environmental Quality Act ("CEQA") pursuant to the State CEQA Guidelines Section 15301 (Existing Facilities); there are no features that distinguish this project from others in the exempt classes, and therefore, there are no unusual circumstances; and
2. Authorize the City Manager to execute a transfer agreement for the vacant parcel of land located at 2825 E. Walnut Street from the General Fund to the Pasadena Water and Power Department ("PWP") for an amount not to exceed \$2.12 million; incorporate the terms and conditions generally described below; and execute any other related agreements necessary to effectuate the transaction, including non-substantial revisions.

BACKGROUND:

The subject is a parcel of vacant land with APN 6102-006-017 containing a gross area of 1.017 acres or 44,287 square feet and a net usable area of 0.98 acres or 42,477 square feet.

The City of Pasadena ("City") owns the subject located at 2825 E. Walnut Street adjacent to the Home Depot shopping center. The land is zoned East Pasadena Specific Plan-d1-IG – General Industrial and is currently held in the General Fund and not being used for any long-term purpose.

PWP has plans for a dual-purpose use of the land. The proposed use will include a water well and treatment plant as well as over 30 Electric Vehicle (“EV”) charging stations.

COUNCIL POLICY CONSIDERATION:

This transfer from the General Fund to PWP is not a legal transfer affecting title, but an “accounting” transfer with internal records indicating PWP has acquired the land.

The Economic Development Division obtained a third-party appraisal for the land in the amount of \$2.12 million to ensure a non-biased valuation. PWP will pay the appraised market value to the General Fund in the transfer.

The transfer is consistent with the City Council’s goals to maintain fiscal responsibility and promote the quality of life and local economy, including access to clean water and renewable green energy.

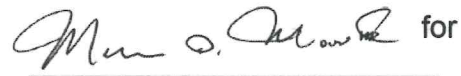
ENVIRONMENTAL ANALYSIS:

The City’s transfer of the subject parcel is categorically exempt from CEQA pursuant to State CEQA Guidelines Title 14, Chapter 3, Article 19, Class 1, Section 15301 (Existing Facilities). This exemption applies to the continued operation of existing facilities involving negligible or no expansion of use. The subject action is limited to the transfer of ownership of a vacant parcel from the City’s General Fund to the City’s Department of Water & Power. While PWP has expressed a desire to utilize the site in the future for a water well and EV charging facility, the subject transfer of ownership does not commit the City or PWP to such future improvements or uses and does not limit the choice of alternatives or mitigation measures. Rather, such improvements/uses would require future discretionary approval of the City/PWP, which could not be granted without completion of CEQA compliance (i.e., PWP’s future use of the site is conditioned on CEQA compliance). Further, there are no features on this property that distinguish this project from others in the exempt classes, and therefore, there are no unusual circumstances.

FISCAL IMPACT:


The total estimated cost of this action will be \$2.12 million in the form of a payment from PWP to the City's General Fund. Funding for this action will be addressed by the utilization of existing budget appropriations of \$1,060,000 in the Power Capital Fund 411, Capital Improvement Program 3225 and \$1,060,000 in the Water Capital Fund 412, Capital Improvement Program 1088. It is anticipated that this transfer will occur in the fiscal year 2024. There is no anticipated impact to other operational programs as a result of this action.

Respectfully submitted,

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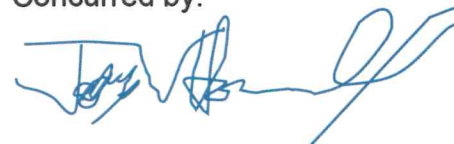
SIDNEY JACKSON
General Manager
Water and Power Department

Prepared by:



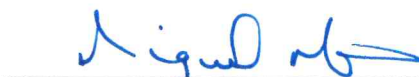
Marvin D. Moon
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Concurred by:



Jeffrey Hernandez
Real Property Manager
City Manager's Office

Approved by:



MIGUEL MARQUEZ
City Manager