



Staff Report

TO: City Council
FROM: Christina Taylor, Deputy City Manager
DATE: June 20, 2023
SUBJECT: Proposed Temporary Construction Easement Agreement for City Owned Property APN 417-110-018

Description Discussion of a proposed lease agreement between the City of Beaumont and Western National Resources, LLC for a temporary “laydown” yard for construction materials and equipment on City owned property located at the southwest corner of Viele Avenue and Fourth Street.

Background and Analysis:

In October 2021, the City of Beaumont Planning Commission approved Plot Plan 2021-0335 for a Battery Energy Storage project. This project is located on the east side of Viele Avenue, south of Fourth Street, adjacent to the Southern California Edison sub-station. The project is intended to connect into the sub-station, store excess energy when it is not needed and feed that excess energy back into the grid when there is high demand.

The project proponents approached the City, expressing interest in leasing approximately 4.5 acres of the City’s 7-acre property on the southwest corner of Viele Avenue and Fourth Street, for a temporary construction yard, due to its proximity to the project site (across the street). The City’s property is intended to be used for a future City yard, housing Transit and Public Works. However, the site is still in the planning phases and construction on the site is not anticipated to begin for at least twelve months.

The City and property owner negotiated terms for the lease which include a monthly amount per acre and length of time the property can be used. The terms are as follows:

- \$5,000 per month per acre (4.5 acres x \$5k = \$22,500 per month)
- Initial term of ten-months with eight (8) one-month extensions possible subject to City manager approval of the extension(s)

Fiscal Impact:

The cost of legal review of the lease agreements and staff report preparation is approximately \$1,000. The initial term of the contract will generate \$225,000 in revenue to the Transit and Waste Water proprietary funds.

Recommended Action:

Approve the Temporary Construction Easement Agreement and authorize the City Manager to approve the extensions as provided for in the agreement.

Attachments:

- A. Lease Agreement