



## CITY OF BANNING STAFF REPORT

**TO:** CITY COUNCIL

**FROM:** Douglas Schulze, City Manager

**PREPARED BY:** Art Vela, Public Works Director

**MEETING DATE:** April 23, 2024

**SUBJECT:** Consideration of Resolution 2023-59, Approving, and Authorizing the City Manager to Execute, and Agreement for Purchase and Sale and Escrow Instructions between the City of Banning and Coast to Coast Enterprises, Inc. for the Purchase of Real Property Located at 786 John Street (APN 541-232-013)

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### **RECOMMENDATION:**

Adopt Resolution 2024-59.

### **BACKGROUND:**

Hargrave Street is an existing north/south arterial road that crosses under the elevated I-10 and crosses the Union Pacific Railroad (UPRR) tracks at-grade. The UPRR trains and truck traffic hauling goods from the ports through the Banning Pass area have increased and vehicle wait time at the crossing is a growing concern. Approximately 34 trains pass through the crossing every 24 hours. New passenger rail routes between Los Angeles and the Coachella Valley will increase that number, with a higher surge during events like the world-renowned Coachella Valley Music Festival. With each train crossing, traffic stops for several minutes, backs up into the local neighborhood and stacks back from the crossing onto the off ramps and at times back onto the I-10.

The City has identified a need to mitigate the impacts of the at-grade crossing by constructing a grade separation similar to the one built at Sunset Avenue. The City was recently awarded grant funds to move the environmental and design phases forward.

During preliminary planning of the project, staff recognized that there will likely be the need to acquire properties to accommodate the grade separation project. Real property located at 786 John Street (APN 541-232-013) is a vacant lot and available for purchase. This lot, which is the closest of all lots to the at-grade crossing would be significantly impacted by the grade separation project and would likely have to be acquired by the City. It is staff's recommendation to purchase the property now as it is vacant and available.

City staff had an appraisal conducted on the property, resulting in a fee simple estate value estimate of \$45,000.

The owner has agreed to sell the property to the City for a sale price of \$45,000.

### **JUSTIFICATION:**

The purchase of the real property located at 786 John Street (APN 541-232-013), which is currently vacant and for sale, will accommodate the future Hargrave Street Grade Separation project.

**FISCAL IMPACT:**

The owner of the real property located at 786 John Street (APN 541-232-013) has agreed to sell the property to the City for \$45,000. The purchase will be funded by Fund 420 (Traffic Control Facility Fund), Account No. 420-4900-431.90-10. The Fund has a current balance of \$4,096,318.85.

**ALTERNATIVES:**

1. Adopt Resolution 2024-59, as recommended.
2. Adopt Resolution 2024-59, with modifications.
3. Do not adopt Resolution 2024-59 and provide additional direction to staff. The acquisition of the real property located at 786 John Street will be required by the City in the future to accommodate the Hargrave Street Grade Separation project.

**ATTACHMENTS:**

1. [Resolution 2024-59, 786 John Street Acquisition.docx](#)
2. [Exhibit A - Purchase and Sale Agreement \(786 John St.\).docx](#)
3. [786 John Street Appraisal.pdf](#)