

**AGENDA
SPECIAL CITY COUNCIL MEETING
CITY OF BANNING
BANNING, CALIFORNIA**

January 10, 2017
4:00 p.m.

Banning Civic Center
Council Chambers
99 E. Ramsey St.

I. CALL TO ORDER

- Roll Call – Councilmembers Andrade, Franklin, Peterson, Welch, Mayor Moyer

II. PUBLIC COMMENTS – *On Items Not on the Agenda*

A five-minute limitation shall apply to each member of the public who wishes to address the Mayor and Council on a matter not on the agenda. A thirty-minute time limit is placed on this section. No member of the public shall be permitted to “share” his/her five minutes with any other member of the public. (Usually, any items received under this heading are referred to staff or future study, research, completion and/or future Council Action.) (See last page. PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD.

III. STUDY SESSION

1. Real Property Inventory (ORAL)
(Ted Shove, Economic Development Manager)

IV. ADJOURNMENT

Pursuant to amended Government Code Section 54957.5(b) staff reports and other public records related to open session agenda items are available at City Hall, 99 E. Ramsey St., at the office of the City Clerk during regular business hours, Monday through Friday, 8 a.m. to 5 p.m.

*The City of Banning promotes and supports a high quality of life that ensures a safe
and friendly environment, fosters new opportunities and provides responsive,
fair treatment to all and is the pride of its citizens.*

NOTICE: Any member of the public may address this meeting of the Mayor and Council on any item appearing on the agenda by approaching the microphone in the Council Chambers and asking to be recognized, either before the item about which the member desires to speak is called, or at any time during consideration of the item. A five-minute limitation shall apply to each member of the public, unless such time is extended by the Mayor. No member of the public shall be permitted to “share” his/her five minutes with any other member of the public.

Any member of the public may address this meeting of the Mayor and Council on any item which does not appear on the agenda, but is of interest to the general public and is an item upon which the Mayor and Council may act. A five-minute limitation shall apply to each member of the public, unless such time is extended by the Mayor. No member of the public shall be permitted to “share” his/her five minutes with any other member of the public. The Mayor and Council will in most instances refer items of discussion which do not appear on the agenda to staff for appropriate action or direct that the item be placed on a future agenda of the Mayor and Council. However, no other action shall be taken, nor discussion held by the Mayor and Council on any item which does not appear on the agenda, unless the action is otherwise authorized in accordance with the provisions of subdivision (b) of Section 54954.2 of the Government Code.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office (951) 922-3102. **Notification 48 hours prior to the meeting** will enable the City to make reasonable arrangements to ensure accessibility to this meeting. [28 CFR 35.02-35.104 ADA Title II]




REAL PROPERTY STRATEGY

JANUARY 10, 2017



INTRODUCTION AND OVERVIEW



- PRESENTATION
 - DEFINE CITY'S REAL PROPERTY HOLDINGS
 - ESTABLISH VISION FOR DISPOSITION OF COMMERCIAL HOLDINGS
 - RECENT ACTIVITY
 - RECOMMENDATION: SALE/LEASE PROCEEDS POLICY
 - REAL ESTATE ACTIVITY: IMPEDIMENTS, COST OF DOING BUSINESS
- 

CITY AT-A-GLANCE

- CITY BOUNDARIES 23.1 SQUARE MILES
- CITY R/E: 157 PARCELS - 2,814.46 ACRES OR 4.4 SQ MILES
19.1%
- ASSETS DIVIDED INTO 10 CATEGORIES/USES



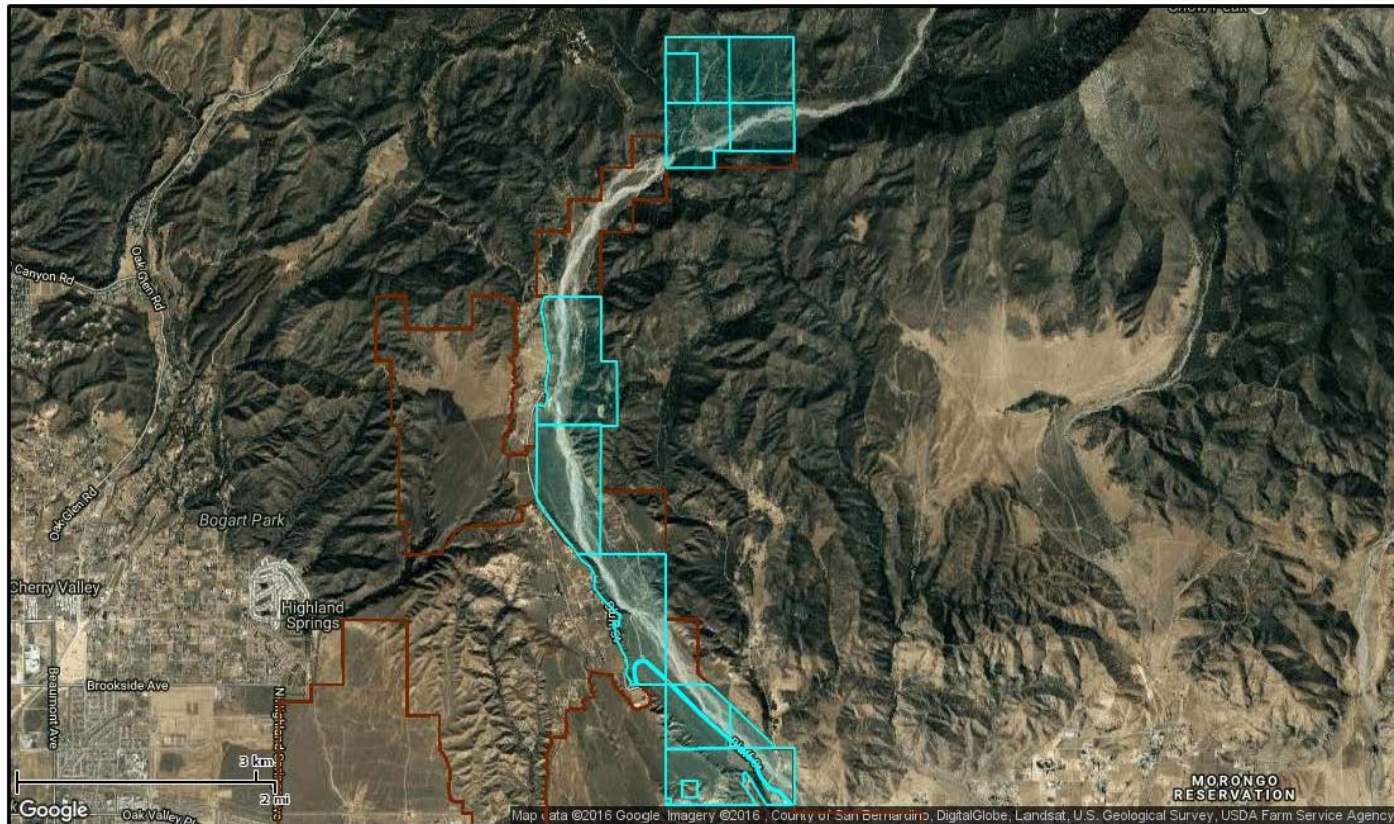
REAL ESTATE ASSETS BY CATEGORY

WATER CANYON

- 21 PARCELS / 2,155.78 ACRES
- WATER CONSERVATION RESERVE / OPEN SPACE DESIGNATION
- INCLUDES SPORTSMAN'S CLUB (SHOOTING RANGE)
- DEVELOPMENT LIKELY TO FACE SIGNIFICANT ENVIRONMENTAL MITIGATION



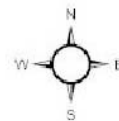
Water Canyon



1" = 6,019 ft

City-Owned

12/20/2016



This map represents a visual display of related geographic information. Data provided hereon is not a guarantee of actual field conditions. To be sure of complete accuracy, please contact Banning staff for the most up-to-date information.

FLOOD CONTROL

- 22 PARCELS / 11.62 ACRES
- INFRASTRUCTURE INCLUDES: STORM DRAINS, RETENTION BASINS



ELECTRICAL FACILITIES

- 5 SUBSTATIONS, ADDITIONAL FACILITIES
- 4 PARCELS / 5.27 ACRES





WATER SYSTEM

- 24 PARCELS / 20.73 ACRES
- WELL SITES (CURRENT AND FUTURE)
- RESERVOIRS (BRINTON, SUNSET)



MISCELLANEOUS EASEMENTS

- 8 PARCELS / 4.99 ACRES
- LANDSCAPING
- ACCESS
- REMNANTS



FACILITIES

- 21 PARCELS / 130.92 ACRES
- CITY HALL (EXCLUDING PARKING LOT)
- POLICE COMPLEX
- WWTP, FUTURE EXPANSION
- CITY YARD
- FIRE MUSEUM, STATIONS

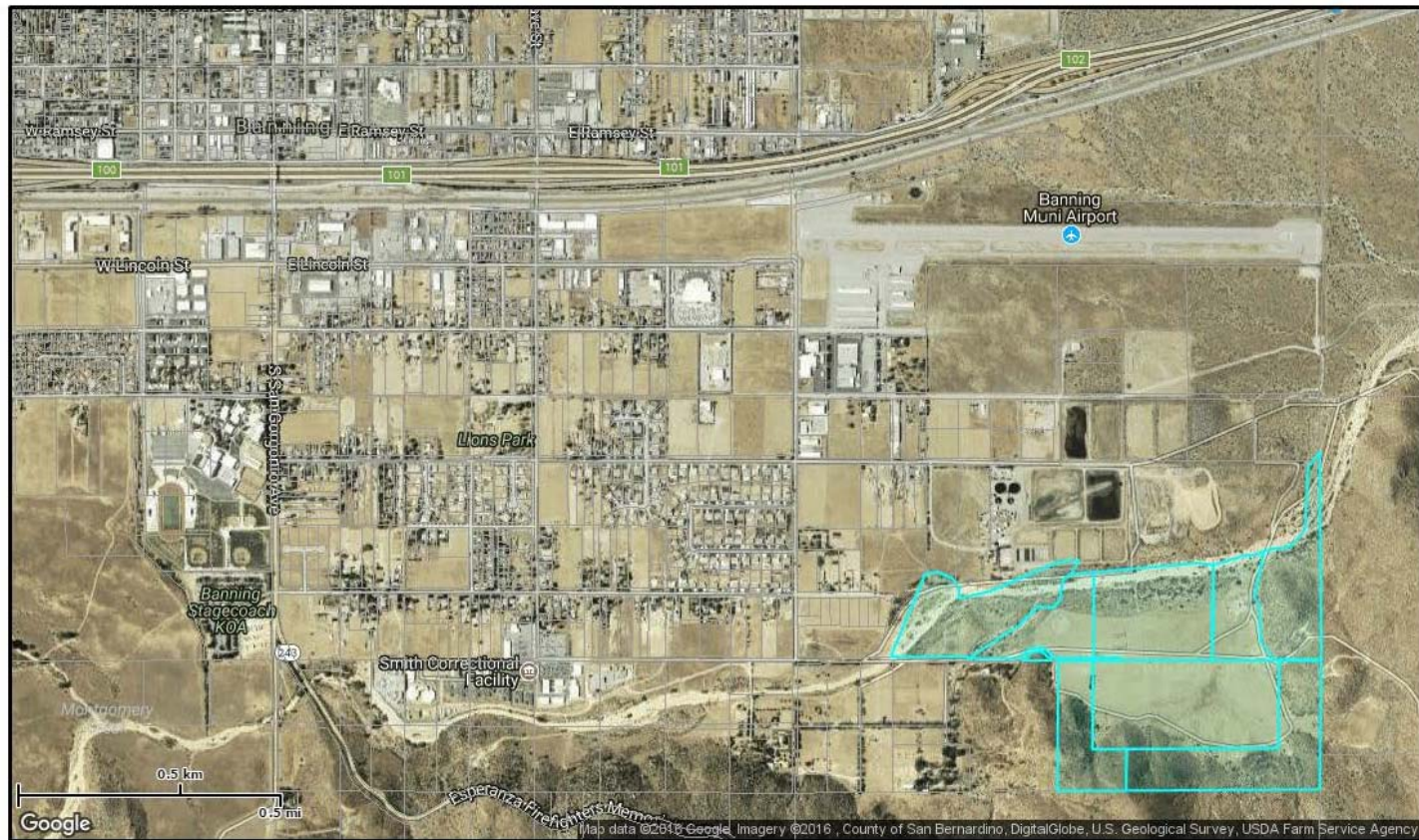


PARKS

- 20 PARCELS / 217.84 ACRES
- LION'S PARK (EXPANSION – 7.45 AC)
- SMITH CREEK PARK – 150 ACRES



Proposed Smith Creek Park



1" = 1,505 ft	City-Owned	12/20/2016		
<p>This map represents a visual display of related geographic information. Data provided hereon is not a guarantee of actual field conditions. To be sure of complete accuracy, please contact Banning staff for the most up-to-date information.</p>				

AIRPORT

- 7 PARCELS / 162.98 ACRES
- INCLUDES NORTHERLY PARCELS (ACCESS USE)
- RUNWAY, HANGARS ONLY – 127.15 AC

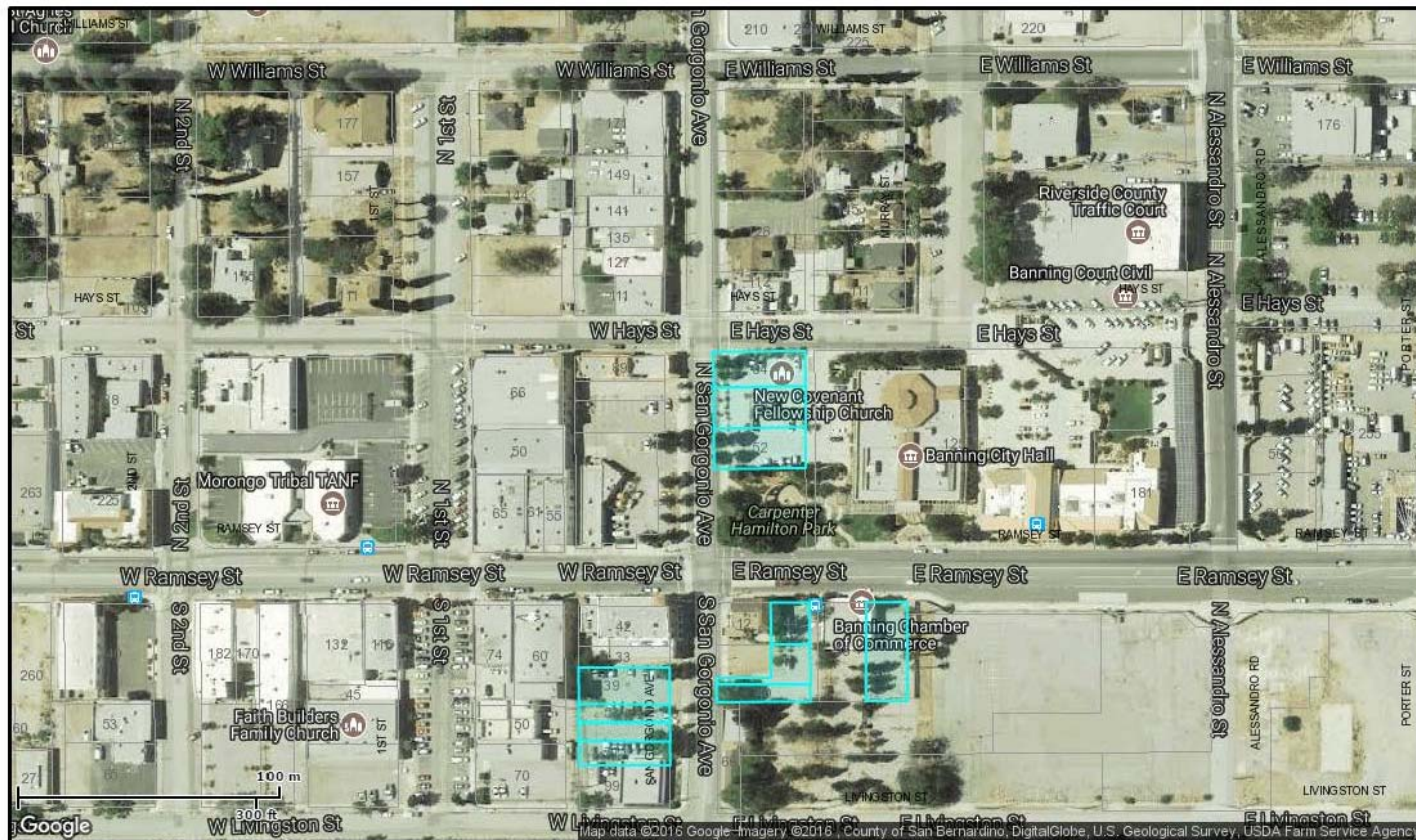


DOWNTOWN PARKING LOTS

- 11 PARCELS / 1.07 ACRES
- CITY HALL, LOT SOUTH OF RAMSEY ALONG SAN GORGONIO
- CITY CONSTRUCTED LOTS – REDUCE COST FOR NEW DEVELOPMENT – SHARED/OFFSET PEAK USAGE
- INCREASED BUSINESS DENSITY/WALKABILITY
- WITHIN NEXT 2 YEARS – GPA AND DOWNTOWN SP



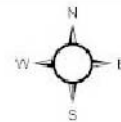
Downtown Parking Lots



1" = 188 ft

City-Owned

12/20/2016



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COMMERCIAL/OPPORTUNITY SITES

- LONG RANGE PROPERTY MANAGEMENT PLAN (LRPMP)
 - DISSOLUTION OF RDA
- ACTIVE LEASES
- AVAILABLE LAND





COMMERCIAL/OPPORTUNITY SITES (CONT.)

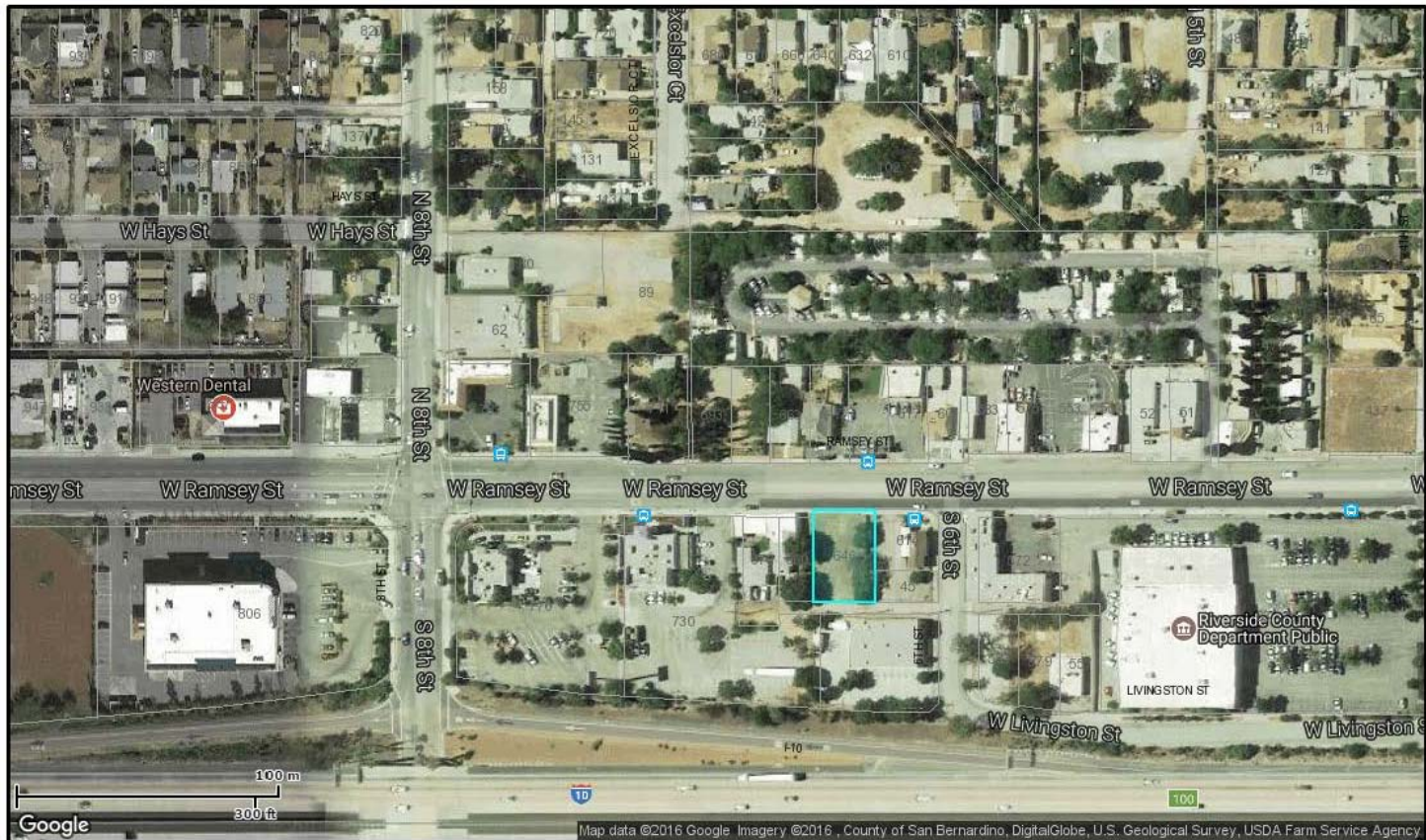
- ACTIVE LEASES
 - ARMORY
 - SPORTSMAN'S CLUB
 - CHAMBER OF COMMERCE
 - 33 S. SAN GORGONIO (BREW REBELLION)
- 



COMMERCIAL/OPPORTUNITY SITES (CONT.)

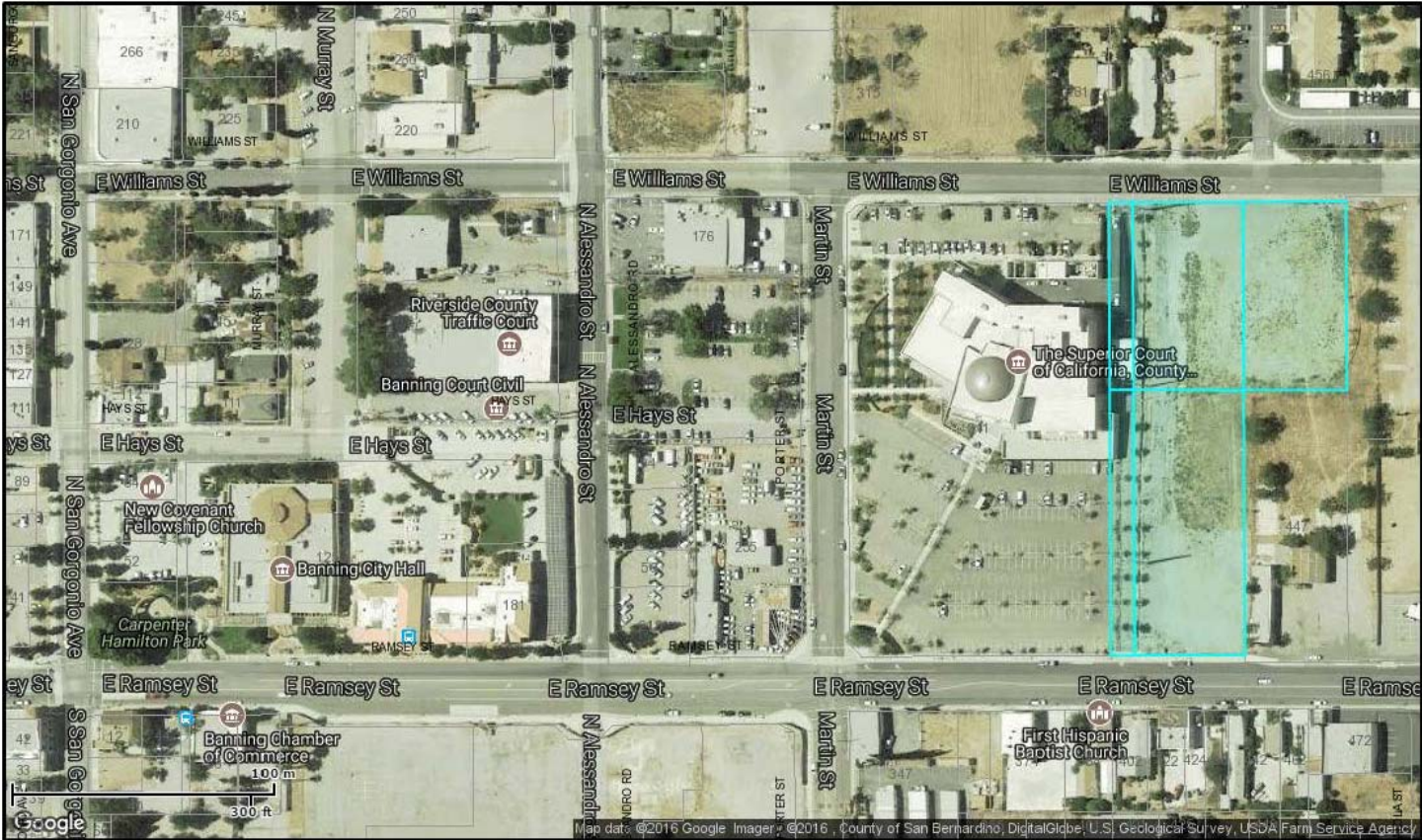
- LRPMP SITES
 - 646 W. RAMSEY STREET
 - ADJACENT TO JUSTICE CENTER (VACANT LAND)
 - SOUTH OF AIRPORT (INDUSTRIAL)
 - 128 N. SAN GORGONIO

646 W. Ramsey Street



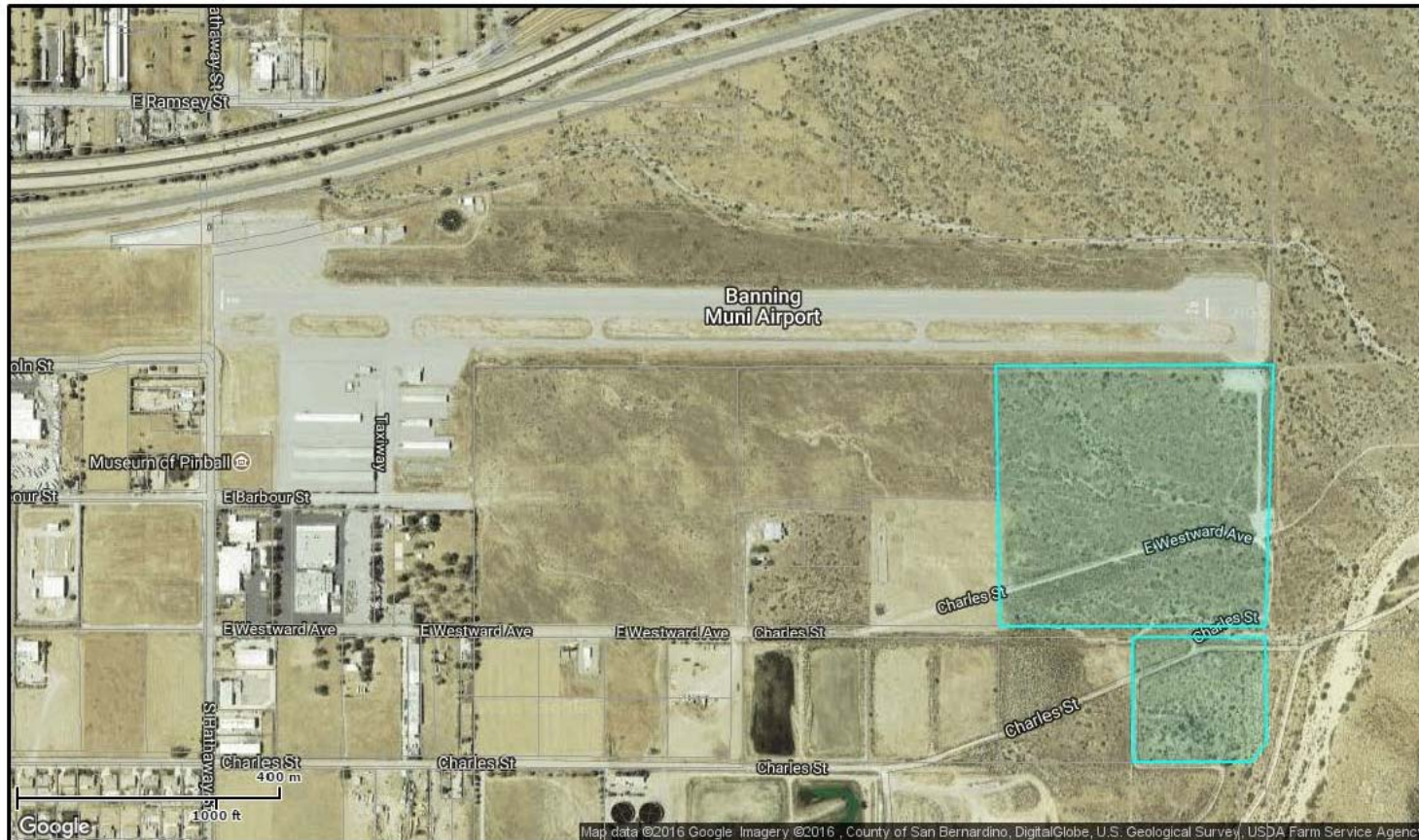
1" = 188 ft	LRPMP	12/20/2016		
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Justice Center Office Complex



1" = 188 ft	LRPMP	12/20/2016		
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Airport Property




1" = 752 ft	LRPMP	12/20/2016		
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COMMERCIAL/OPPORTUNITY SITES (CONT.)

OTHER AVAILABLE INVENTORY

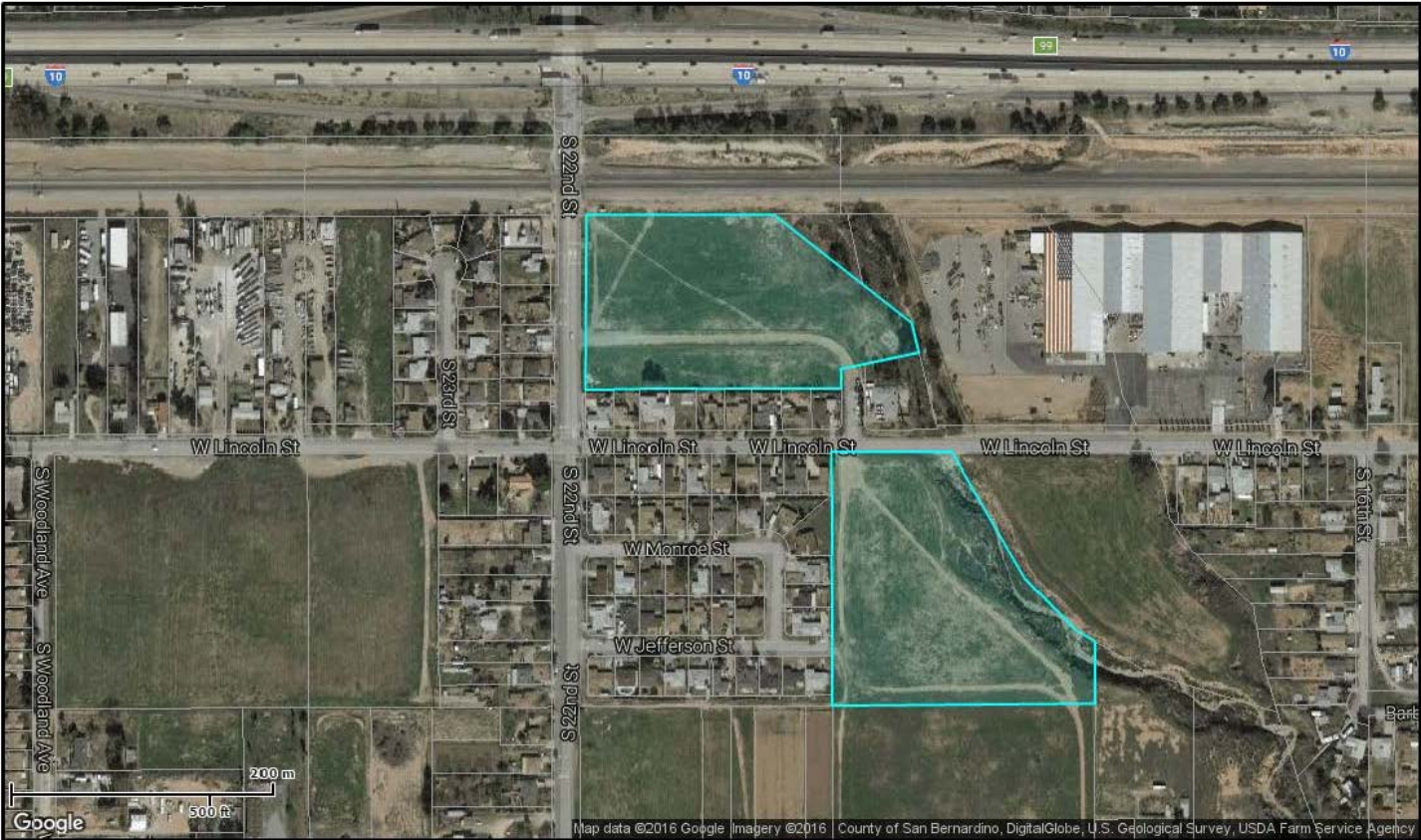
- RAMSEY/3RD ST
 - 22ND AND UP RR
 - 22ND AND LINCOLN (SOUTH)
 - 20 ACRES ADJACENT TO AIRPORT (SOUTH)
- 

Downtown Opportunity Site



1" = 188 ft	City-Owned	12/20/2016		
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Industrial Opportunity Sites



1" = 376 ft	City-Owned	12/20/2016		
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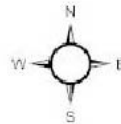
Airport Industrial Opportunity Site



1" = 752 ft

City-Owned

12/20/2016



This map represents a visual display of related geographic information. Data provided hereon is not a guarantee of actual field conditions. To be sure of complete accuracy, please contact Banning staff for the most up-to-date information.

CHARTING THE COURSE FOR LONG TERM RESULTS



ESTABLISH VISION FOR COMMERCIAL INVENTORY

- RECOMMEND THE FOLLOWING PRINCIPLES:
 - ACTIVELY MARKET OPPORTUNITY SITES
 - ENGAGE SALE AND DEVELOPMENT – INCLUDE TIME/PERFORMANCE REQUIREMENTS
 - ESTABLISH ROI CRITERIA (I.E. JOBS, RECURRING REVENUE, CONDITIONS FOR BELOW FMV)
 - MAINTAIN LEASES - FULL OCCUPANCY
 - FULFILL LRPMP REQUIREMENTS



RECENT ACTIVITY

- EXCHANGE – ROBERTSON'S READY MIX
 - FORMER FUTURE WELL SITE
 - NEW – FUTURE WELL SITE
- 33 S. SAN GORGONIO - LEASED



ESTABLISHING POLICY FOR PROCEEDS

- CITY AS CATALYST TO STIMULATE MARKET
 - ASSEMBLY
 - ACTIVITY
 - LENDER'S VIEW – CITY INVOLVEMENT
 - ROI BASIS
- **RECOMMENDATION: RETAIN PROCEEDS FOR FUTURE ACQUISITION**



DEVELOPMENT IMPEDIMENTS



- MARKET CONDITION
 - INTENSITY OF COMMERCIAL PROPERTY SALES
 - NO/LOW ACTIVITY = ACCESS TO CAPITAL
 - IMPLEMENTING THE VISION / GROUNDBREAKING
 - INTERNAL DECISION-MAKING – COUNCIL APPROVED CRITERIA
- 

COST OF DOING BUSINESS

- R/E TRANSACTIONS INCLUDE:
 - MARKETING, APPRAISAL, ESCROW AND TITLE
 - CURSORY ENVIRONMENTAL REVIEW
 - COMMISSION
- BUYER/SELLER (6-10%)
 - INTERNAL VS 3RD PARTY BROKERAGE
 - SPECIFIC TERMS – COMMISSION EARNED
 - GREATER EXPOSURE
 - LESS CONTROL OF PROCESS

RECOMMEND - INTERNAL



DISCUSSION

- ACTIVELY MARKET EXISTING SITES (LRPMP, OPPORTUNITY SITES)
 - ADVANCE DEMO/CONVERSION TO PARKING LOT PROJECT – 128 N. SAN GORGONIO
 - FORMALIZE POLICY TO ESTABLISH R/E PROCEEDS FUND
 - BUDGET UPDATE: EXPENDITURE REQUESTS FOR R/E SERVICES
- 