



# City of Sunnyvale

## Agenda Item-No Attachments (PDF)

---

File #: 15-1079, Version: 1

---

### REPORT TO COUNCIL

#### **SUBJECT**

Adopt a Resolution Authorizing the City Manager to Grant an Easement to PG&E for Utility Purposes on a City-owned Property Located at 620 E. Maude Avenue

#### **BACKGROUND**

The subject City property, Assessor's Parcel Number 205-29-032, is under a long-term lease to MidPen Housing Corp. (June 25, 2013; RTC 13-145) for development of an affordable "homeless housing" project initiated by the City as part of the Base Realignment and Closure (BRAC) process. The City also provided MidPen with \$5.4 million in financing for development of this housing project, from the City's Housing Mitigation and HOME funds. The project includes 57 apartment units for very low income households, including 29 reserved for homeless applicants, and a manager's unit. Construction of the planned housing development began on December 8, 2014 and is scheduled for completion by March 2016. A vicinity and site map showing the location of the project is provided in Attachment 1.

#### **EXISTING POLICY**

##### **Housing Element**

**Goal A** Assist in the provision of adequate housing to meet the diverse needs of Sunnyvale's households of all income levels.

**Policy A.2** Facilitate the development of affordable housing through regulatory incentives and concessions, and/or financial assistance.

**Goal C** Minimize the impact of governmental constraints on the maintenance, improvement and development of housing.

#### **ENVIRONMENTAL REVIEW**

N/A

#### **DISCUSSION**

MidPen Housing was recently informed by Pacific Gas and Electric Company (PG&E) that it now requires the City, as property owner, to grant PG&E a utility easement over a small corner portion of the MidPen leasehold estate, in order to provide permanent power to the new MidPen Housing development. A draft of the proposed easement deed, in substantial form, and related exhibits is provided in Attachment 2.

The requested easement area is located at the northeast corner of the property, along the frontage with Maude and the property line with the adjoining property (Parkside Studios). It is approximately 14 feet by 11 feet, for a total area of approximately 154 square feet. PG&E has existing power and gas facilities within this small area. In addition, a second area of approximately 276 square feet running in a southwardly strip from the Maude Avenue frontage, is also required, primarily to allow

PG&E access to the gas meters on the site. Attachment 1 shows the location of the requested easements on the property; details of both of the areas are shown on Exhibits "B-1" and "B-2" of Attachment 2 (two pages).

The requested easement area has no significant impact on the property or the new housing development. Other than any initial work needed to connect power to the new housing project, PG&E would access the easement area only occasionally to read meters or otherwise attend to their facilities as needed.

A draft resolution authorizing this easement deed is provided in Attachment 3.

### **FISCAL IMPACT**

The recommended action is not expected to have any fiscal impact on the City. The property is currently leased to MidPen Housing for a 90-year term, and the recommended action is needed for MidPen to complete the affordable housing project. If the need for the easement ceases in the future, the easement can be extinguished.

### **PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

### **RECOMMENDATION**

Adopt a resolution authorizing the City Manager or his/her designee to grant the requested easement deed to PG&E and to sign any related escrow documents in final form as approved by the City Attorney.

Prepared by: Suzanne Isé, Housing Officer

Reviewed by: Trudi Ryan, Director, Community Development Department

Reviewed by: Manuel Pineda, Director, Public Works Department

Reviewed by: Kent Steffens, Assistant City Manager

Approved by: Deanna J. Santana, City Manager

### **ATTACHMENTS**

1. Vicinity/Site Map
2. Easement Deed
3. Resolution