



## Folsom City Council Staff Report

<b>MEETING DATE:</b>	6/14/2022
<b>AGENDA SECTION:</b>	New Business
<b>SUBJECT:</b>	Resolution No. 10868 - A Resolution of the City Council Determining that the Proposed Lease Renewal is Exempt from the California Environmental Quality Act and Authorizing the City Manager to Execute and Agreement to Renew a Land Lease with the Placerville & Sacramento Valley Railroad for the Use of the Wye Property
<b>FROM:</b>	Public Works Department

### **RECOMMENDATION / CITY COUNCIL ACTION**

The Public Works Department recommends that the City Council pass and adopt Resolution No. 10868 - A Resolution of the City Council Determining that the Proposed Lease Renewal is Exempt from the California Environmental Quality Act and Authorizing the City Manager to Execute and Agreement to Renew a Land Lease with the Placerville & Sacramento Valley Railroad for the Use of the Wye Property

### **BACKGROUND / ISSUE**

In November 2005, the City of Folsom entered into a land lease agreement with the Folsom, El Dorado, Sacramento Historical Railroad Association, Inc. (FEDSHRA) to use approximately 137,000 square feet of City-owned lane located at the corner of Bidwell Street and Oakdale Street (commonly referred to as the “Wye” property) for the storage of equipment and supplies associated with their rail activities. The agreement was set to expire in 2009.

The original agreement has since been amended on four occasions:

- Amendment 1 in November 2009, added an additional 11,000 square feet of Wye property to the leased space and extended the term of the agreement another four years;

- Amendment 2 in December 2013, added the Station Master's house and grounds to the lease, which would become FEDSHRA's responsibility to maintain; added a list of equipment and rolling stock that FEDSHRA owned and maintained on the site, and extended the term of the agreement another four years;
- The amended lease agreement was renewed in 2017 to extend the terms of the lease agreement for another four years, to November 2021.
- In October 2019 the lease agreement was assigned to the Placerville & Sacramento Valley Railroad, Inc. (P&SVRR) and authorized P&SVRR to add several pieces of rail equipment and a storage shed within the leased area; the term of the lease was not extended, leaving the end of term at November 2021.

The purpose of this item is to renew the land lease agreement for an additional four year term, retroactive to November 2021, leaving the end of term at November 2025.

### **POLICY / RULE**

Article III of the Folsom City Charter assigns the City Manager the authority to administer contracts of which the City is a party.

### **ANALYSIS**

P&SVRR utilizes the leased area for the storage and maintenance of several pieces of rolling stock (rail vehicles) as well as the tools and supplies necessary for their maintenance and operations. Through a separate license agreement with the Southern Pacific Transportation Corridor Joint Powers Authority (SPTC JPA), P&SVRR is authorized to operate on the portion of the SPTC between the Wye property and the Sacramento/El Dorado County line.

### **FINANCIAL IMPACT**

There would be no significant financial impact to the City of Folsom as a result of renewing this land lease agreement.

### **ENVIRONMENTAL REVIEW**

This action is exempt from environmental review under the California Environmental Quality Act (CEQA) under Class 1 (Existing Facilities), .

### **ATTACHMENTS**

1. Resolution No. 10868 – A Resolution of the City Council Determining that the Proposed Lease Renewal is Exempt from the California Environmental Quality Act and Authorizing the City Manager to Execute and Agreement to Renew a Land Lease with the Placerville & Sacramento Valley Railroad for the Use of the Wye Property
2. Exhibit A – Map of Wye Property and vicinity

Submitted,



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Mark Rackovan, PUBLIC WORKS DIRECTOR

# Attachment 1

Resolution No. 10868

**RESOLUTION NO. 10868**

**A RESOLUTION OF THE CITY COUNCIL DETERMINING THAT THE PROPOSED LEASE RENEWAL IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT TO RENEW A LAND LEASE WITH THE PLACERVILLE & SACRAMENTO VALLEY RAILROAD FOR USE OF THE WYE PROPERTY**

**WHEREAS**, the City of Folsom owns a property located at the corner of Bidwell Street and Oakdale Street, commonly known as the Wye Property; and

**WHEREAS**, the Wye Property is a railroad junction and location of the former station master's house; and

**WHEREAS**, the City of Folsom entered into a land lease agreement in 2005 with the Folsom, El Dorado, Sacramento Historical Railroad Association (FEDSHRA) for the use of the Wye Property for railroad activities; and

**WHEREAS**, the land lease agreement was amended and the term extended on three occasions, with the third extension ending on November 2021; and

**WHEREAS**, in 2019, FEDSHRA requested that the land lease agreement be assigned to the Placerville & Sacramento Valley Railroad with the term of the agreement remaining unchanged as a result of that action; and

**WHEREAS**, the term of the renewal shall be four years, starting November 2021; and

**WHEREAS**, the lease of existing public structures and facilities involving negligible or no expansion of existing or formal use is categorically exempt from the California Environmental Quality Act (CEQA); and

**WHEREAS**, the agreement will be in a form acceptable to the City Attorney.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Folsom that the proposed lease renewal is categorically exempt from CEQA pursuant to Section 15301 of the CEQA Guidelines.

**BE IT FURTHER RESOLVED** that the City Manager is hereby authorized to execute an agreement in a form acceptable to the City Attorney to renew a land lease with the Placerville & Sacramento Valley Railroad for Use of the Wye Property.

**PASSED AND ADOPTED** this 14<sup>th</sup> day of June, 2022, by the following roll-call vote:

**AYES:** Councilmember(s):  
**NOES:** Councilmember(s):  
**ABSENT:** Councilmember(s):

**ABSTAIN:** Councilmember(s):

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Kerri M. Howell, MAYOR

ATTEST:

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Christa Freemantle, CITY CLERK

## Attachment 2

### Exhibit A – Wye Property and Vicinity

**EXHIBIT A – WYE PROPERTY AND VICINITY**

