

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

June 11, 2024

FROM

MARK WARDLAW, Director, Land Use Services Department

SUBJECT

Securities and Agreements for Parcel Map 20478 in the Fontana Area – Subdivider Speedway SBC Development LLC, A Delaware Limited Liability Company

RECOMMENDATION(S)

1. Approve the performance and labor and material securities, in the amounts as listed in the Financial Impact section, and Agreements for Construction and Maintenance of Improvements with Speedway SBC Development, LLC to construct and maintain required road and drainage, sewer, and/or landscape improvements, as listed in the Financial Impact section for seven improvement areas for Parcel Map No. 20478, consisting of 26 parcels and two letter lots located west of Cherry Avenue in the Fontana area.
2. Authorize the Chief Executive Officer, in accordance with the Agreements for Construction and Maintenance of Improvements, to execute an assignment of the agreements pursuant to an approved template included as Exhibit A to the Agreements for Construction and Maintenance of Improvements.
3. Direct the Director of Land Use Services Department to transmit all documents and amendments in relation to an assignment of the Agreements for Construction and Maintenance of Improvements to the Clerk of the Board of Supervisors within 30 days of execution.

(Presenter: Mark Wardlaw, Director, 387-4431)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

Ensure Development of a Well-Planned, Balanced, and Sustainable County.

FINANCIAL IMPACT

Approval of this item will not result in the use of any additional Discretionary General Funding (Net County Cost). The following securities will remain in effect until the underlying obligations have been satisfied and following a 12-month maintenance period as determined by the Board of Supervisors (Board) or the Chief Executive Officer (CEO), pursuant to County Code Section 87.07.040(f):

Improvement Area	Improvement	Performance	Labor and Materials
Improvement Area 1	Road and Drainage	\$5,120,500	\$2,560,250
	Sewer	\$151,000	\$75,500
	Landscape	\$943,000	\$471,500
Improvement Area 2	Road and Drainage	\$5,074,000	\$2,537,000
	Sewer	\$171,000	\$85,500

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Improvement Area	Improvement	Performance	Labor and Materials
	Landscape	\$256,000	\$128,000
Improvement Area 3	Road and Drainage	\$2,847,000	\$1,423,500
	Sewer	\$471,000	\$235,500
	Landscape	\$442,000	\$221,000
Improvement Area 4	Road and Drainage	\$5,748,000	\$2,874,000
	Sewer	\$36,500	\$18,250
	Landscape	\$363,000	\$181,500
Improvement Area 5	Road and Drainage	\$2,509,500	\$1,254,750
	Sewer	\$295,000	\$147,500
Improvement Area 6	Road and Drainage	\$2,498,000	\$1,249,000
	Landscape	\$165,000	\$82,500
Improvement Area 7	Road and Drainage	\$8,985,000	\$4,492,500
	Sewer	\$785,500	\$392,750
	Landscape	\$165,000	\$82,500

BACKGROUND INFORMATION

Parcel Map 20478 will create 26 parcels and two lettered lots covering an approximate 522-acre site that is currently developed with the Auto Club Speedway. Tentative Parcel Map 20478 was approved by the Board on October 25, 2022 (Item No. 102). The recommended actions will allow the County Surveyor to accept and approve the Final Parcel Map upon Board approval and acceptance of the necessary securities and agreements for the required road and drainage, sewer, and landscape improvements.

To date, the required road and drainage, sewer, and landscape improvements as shown on the Street Improvement Plans for Parcel Map 20478 have not been constructed. The project developer, Speedway SBC Development, LLC (Subdivider), is required to construct the road and drainage, sewer, and landscape improvements prior to acceptance of Parcel Map 20478, or, alternatively, the Subdivider may enter into an improvement agreement to construct the road, drainage, sewer, and landscape improvements, as well as performance and maintenance agreements to furnish the equipment, labor, and material necessary to maintain and repair said improvements for a period of 12 months. The Subdivider has proposed a separate agreement and securities for the required road and drainage, sewer, and landscape improvements in seven different improvement areas covering Parcel Map 20478. As discussed below, this will allow the Subdivider to request a reduction and release of the required securities upon completion and acceptance of the improvements by the County within the respective improvement areas. The recommended improvement securities and agreements will ensure the warranty of the required development infrastructure for the project pursuant to the Subdivision Map Act, the San Bernardino County Policy Plan, and the County Code.

The Subdivider plans on construction of the road and drainage, sewer, and landscape improvements associated with Parcel Map 20478 as improvement areas are developed and transfer the property interest to related or non-related entities. As a result, the Subdivider has requested amendments to the County's standard improvement agreement related to assignments. The standard language requires a subdivider to notify the County of any transfer of a property interest and to condition any transfer upon the third-party's assumption of the obligations contained in the improvement agreement on a form approved by the County. This item would authorize the Subdivider to assign the agreements to a related entity under its control or is under common control without the County's prior approval of an assignment

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provided the Subdivider continues to remain fully responsible for the obligations of the agreements, including maintaining the required securities. This item also includes a proposed template authorizing the Chief Executive Officer (CEO) to approve an assumption of an agreement to a non-related entity provided that the new subdivider can assume the obligations of the approved securities. In the event of an increase or a new security is required, the Subdivider must obtain Board approval of an assumption of the agreements.

LUS is satisfied that the secured amounts for road and drainage, sewer, and landscape improvements are sufficient to complete the construction of the required improvements. With the approval of the securities and agreements, all conditions for the map will be met. Board approval is required to accept the securities and agreements pursuant to Chapter 87.07 of the County Code.

The road and drainage, sewer, and landscape performance securities will be held until the Subdivider completes construction of the required improvements and the Board or CEO accepts the construction. The road and drainage, sewer, and landscape labor and material securities will be held until the Board or the CEO accepts construction of the improvements and LUS verifies that no liens have been filed with the Clerk of the Board.

PROCUREMENT

Not applicable.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Jason Searles, Supervising Deputy County Counsel, 357-5455) on May 15, 2024; Finance (Penelope Chang, Administrative Analyst III, 387-4886) on May 31, 2024; and County Finance and Administration (Robert Saldana, Deputy Executive Officer, 387-5423) on May 31, 2024.

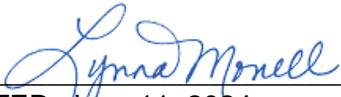
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Record of Action of the Board of Supervisors
San Bernardino County

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Curt Hagman
Ayes: Col. Paul Cook (Ret.), Jesse Armendarez, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: June 11, 2024



cc: Owner w/ bond
PW - Surveyor/Division Chief w/ bond
LUSD/Land Development w/ bond
File - Parcel Map 20478 w/ bond
JLL 06/12/2024