

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

October 22, 2024

**FROM**

**TERRY W. THOMPSON, Director, Real Estate Services Department**

**CARRIE HARMON, Director, Community Development and Housing Department**

**SUBJECT**

Amendment to the Purchase and Sale Agreement and Joint Escrow Instructions for Acquisition of Vacant Land in the Bloomington Area

**RECOMMENDATION(S)**

1. Acting as the Successor Housing Agency to the former Redevelopment Agency of the County of San Bernardino, pursuant to Health and Safety Code section 34176, approve **Amendment No. 1** to the Purchase and Sale Agreement and Joint Escrow Instructions for **Contract No. 23-1016**, between San Bernardino County, a political subdivision of the State of California, acting in its capacity as the Successor Housing Agency to the former Redevelopment Agency of the County of San Bernardino pursuant to Health and Safety Code Section 34176 and Micasso Group, LLC, a California limited liability company, to adjust the purchase price for vacant land containing approximately 3.75 acres located at 10108 Locust Avenue in the unincorporated area of Bloomington (Assessor's Parcel Number 0252-051-41) from \$4,900,500, plus escrow, title, and closing fees estimated to be \$10,000, to an amount to be determined by a third-party appraisal pursuant to mutually agreed appraisal instructions, plus additional due diligence costs estimated to be \$50,000, and extend the closing date to 60 calendar days following the determination of the appraised purchase price.
2. Approve a budget increase of \$1,149,500 to Capital Improvement Program Project No. 24-075 to purchase vacant land containing approximately 3.75 acres located at 10108 Locust Avenue in the unincorporated area of Bloomington.
3. Authorize the Auditor-Controller/Treasurer/Tax Collector to post the necessary adjustments to the Real Estate Services Department 2024-25 budget, as detailed in the Financial Impact section (Four votes required).

(Presenter: Terry W. Thompson, Director, 387-5000)

**COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES**

**Promote the Countywide Vision.**

**Create, Maintain and Grow Jobs and Economic Value in the County.**

**Provide for the Safety, Health and Social Service Needs of County Residents.**

**Improve County Government Operations.**

**FINANCIAL IMPACT**

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). Approval of Amendment No.1 (Amendment) to the Purchase and Sales Agreement and Joint Escrow Instructions for Contract No. 23-1016 (PSA) would adjust the existing purchase

**Amendment to the Purchase and Sale Agreement and Joint Escrow  
Instructions for Acquisition of Vacant Land in the Bloomington Area  
October 22, 2024**

price from \$4,900,500 (Existing Purchase Price), plus escrow, title, and closing fees estimated to be \$10,000, to an amount to be determined by a third-party appraisal pursuant to appraisal instructions as mutually agreed in the Amendment (Adjusted Purchase Price), which could be higher or lower than the Existing Purchase Price, plus additional due diligence costs, such as legal review and property inspections, estimated to be \$50,000. If the Adjusted Purchase Price exceeds the Existing Purchase Price, San Bernardino County (County), acting in its capacity as the Successor Housing Agency to the former Redevelopment Agency of the County of San Bernardino (Successor Housing Agency), pursuant to Health and Safety Code section 34176, will use proceeds from the 2010 San Sevaime Bond Series A issuance to acquire the vacant land.

While the Revised Purchase Price is unknown at this time, the Community Development and Housing Department (CDH) requests that the Auditor-Controller/Treasurer/Tax Collector post the following adjustments to the 2024-25 budget, which totals \$1,149,500. The allocation amount does not reflect an estimate of the Adjusted Purchase Price. Rather, the allocation is an administrative action to facilitate closing in the event that the Adjusted Purchase Price exceeds the Existing Purchase Price. If the Adjusted Purchase Price does not exceed the Existing Purchase Price, the allocation will not be used except as necessary for any additional escrow, title, and closing costs:

<b>Cost Center</b>	<b>Commitment Item</b>	<b>Description</b>	<b>Action</b>	<b>Amount</b>	<b>WBSE</b>
7700003105	54004005	Land	Increase	\$1,149,500	94.10.0003
7700003105	55415017	Fixed Assets Transfer In	Increase	\$1,149,500	94.10.0003
6210003126	56506500	Advance to Available Reserve	Decrease	\$1,149,500	-
6210003126	55405016	Fixed Assets Transfer Out	Increase	\$1,149,500	-

**BACKGROUND INFORMATION**

This item will approve the Amendment to the PSA between the County acting as the Successor Housing Agency and Micasso Group, LLC, a California limited liability company (Micasso), to adjust the Existing Purchase Price to the Adjusted Purchase Price, extend the closing date to 60 calendar days following the determination of the Adjusted Purchase Price, and amend certain other terms and conditions, as more specifically set forth in this Amendment.

On September 12, 2023 (Item No. 56), the Board of Supervisors (Board) approved the PSA for the acquisition of vacant land of approximately 3.75 acres, Assessor’s Parcel Number (APN) 0252-051-41-0000 located at 10108 Locust Avenue in the unincorporated area of Bloomington (Property), as a preferred site for consideration as an affordable housing development project, including the approval of Capital Improvement Program Project No. 24-075, which established a Project budget of \$4,910,500 to the Acquisition of Land in Bloomington Project (94.10.0003). The acquisition of the Property was in furtherance of the creation of economic opportunity pursuant to Government Code Section 52201, which includes affordable housing pursuant to Government Code Section 52200.2(c) that is a demonstrated need in the community.

While the Property was placed in escrow following execution of the PSA, closing did not occur. In lieu of enforcing or terminating the PSA, the Amendment was negotiated to adjust the

**Amendment to the Purchase and Sale Agreement and Joint Escrow  
Instructions for Acquisition of Vacant Land in the Bloomington Area  
October 22, 2024**

purchase price from the Existing Purchase Price to the Adjusted Purchase Price. The Real Estate Services Department (RESA) and Micasso have negotiated a set of appraisal instructions, which would be released in a Request for Proposal for a third-party appraiser to be jointly selected by RESA and Micasso to perform the contemplated appraisal based on the negotiated appraisal instructions. Additionally, the Amendment would change the closing date to be no later than 60 calendar days after the determination of the Adjusted Purchase Price. Given the passage of time, RESA believes it is in the best interests of the Successor Housing Agency to approve Amendment No. 1 to the PSA to establish the Adjusted Purchase Price based on the current market conditions.

On September 12, 2023 (Item No. 56), the Board also adopted Resolution No. 2023-173 (Resolution), declaring that the acquisition of the Property shall not constitute a commitment to a particular affordable housing development project or other public project as a whole or to any particular features, and designated the Property as a preferred site for consideration as an affordable housing development project. The Resolution further declared that the acquisition of the Property was not a project under the California Environmental Quality Act (CEQA), or alternatively, that the acquisition was exempt from CEQA, pursuant to Section 15004(b)(2)(A) of Title 14 of the California Code of Regulations and conditioned all future uses and development of the Property in compliance with CEQA. The Clerk of the Board was directed to file and post a Notice of Exemption. No further CEQA action is required at this time.

The purchase of the Property is in compliance with Government Code sections 25350 and 6063.

**PROCUREMENT**

N/A

**REVIEW BY OTHERS**

This item has been reviewed by County Counsel (Agnes Cheng, and Suzanne Bryant, Deputies County Counsel, 387-5455) on October 11, 2024; Community Development and Housing (Becky Sanabria, Project Manager, 382-3995) on September 11, 2024; Auditor-Controller/Treasurer/Tax Collector (Charlene Huang, Auditor-Controller Manager, 382-7022) on September 11, 2024; Purchasing (Ariel Gill, Supervising Buyer, 387-2070) on September 8, 2024; Finance (Chris Lange, 386-8393, and Garrett Baker, 387-3077, Administrative Analysts) on October 7, 2024; and County Finance and Administration (Valerie Clay, Deputy Executive Officer, 387-5423) on October 7, 2024.

(TJS: 893-0340)

**Amendment to the Purchase and Sale Agreement and Joint Escrow  
Instructions for Acquisition of Vacant Land in the Bloomington Area  
October 22, 2024**

Record of Action of the Board of Supervisors  
San Bernardino County

**APPROVED (CONSENT CALENDAR)**

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

Lynna Monell, CLERK OF THE BOARD

BY   
DATED: October 22, 2024



cc: Real Estate - Thompson w/agree  
Contractor - c/o Real Estate w/agree  
File - w/agree

MBA 10/23/2024