



San Bernardino County

Legislation Text

File #: 4942, Agenda Item #: 64

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

**REPORT/RECOMMENDATION TO THE BOARD OF DIRECTORS
OF THE BLOOMINGTON RECREATION AND PARK DISTRICT
AND RECORD OF ACTION**

October 5, 2021

FROM

LEONARD X. HERNANDEZ, Chief Executive Officer, County Administrative Office

BRENDON BIGGS, Director, Department of Public Works - Special Districts

GARY HALLEN, Director, Community Development and Housing

SUBJECT

Ayala Park Relocation Project - Amendment to Development Services Agreement and Related Loan Agreement

RECOMMENDATION(S)

1. Acting as the governing body of San Bernardino County:
 - a. Approve Loan Agreement with Bloomington Recreation and Park District for a \$1,500,000 loan from San Bernardino County to Bloomington Recreation and Park District for the cost of additional improvements related to the Ayala Park Relocation Project.
 - b. Authorize the Auditor-Controller/Treasurer/Tax Collector to record the \$1,500,000 loan between the County General Fund and Bloomington Recreation and Park District, if approved.
 - c. Approve Amendment No. 4 to Agreement No. 18-760 between San Bernardino County, Bloomington Recreation and Park District, and Bloomington Park Developer, LLC that increases the total contract amount by \$1,500,000 (from \$6,090,000 to \$7,590,000) and extends the term of the contract from March 13, 2022 to June 13, 2022 to provide additional development services for the Ayala Park Relocation Project.
 - d. Authorize the Auditor-Controller/Treasurer/Tax Collector to post budget adjustments to the Community Development and Housing Agency's 2021-22 budget, as detailed in the Financial Impact section, for the Bloomington III - Ayala Park Project (Four votes required).
 - e. Authorize the Chairman of the Board of Supervisors or the Chief Executive Officer, upon consultation with County Counsel, to make any necessary non-substantive modifications and approve/execute certain ancillary documents relating to the Ayala Park Relocation Project.
 - f. Direct the Chief Executive Officer or the Director of Community Development and Housing to transmit all documents to the Clerk of the Board of Supervisors within 30 days of execution.
2. Acting as the governing body of Bloomington Recreation and Park District:
 - a. Approve Loan Agreement with San Bernardino County for a \$1,500,000 loan from San Bernardino County to Bloomington Recreation and Park District for the cost of additional improvements related to

the Ayala Park Relocation Project and direct repayment of such loan, with interest at the County Treasurer's Investment Pool rate, by June 30, 2022 upon receipt of a \$1,500,000 allocation from the State of California, which was approved in the State's 2021-22 budget, for Ayala Park.

- b. Approve Amendment No. 4 to Agreement No. 18-760 between San Bernardino County, Bloomington Recreation and Park District, and Bloomington Park Developer, LLC that increases the total contract amount by \$1,500,000 (from \$6,090,000 to \$7,590,000) and extends the term of the contract from March 13, 2022 to June 13, 2022 to provide additional development services for the Ayala Park Relocation Project.
- c. Authorize the Auditor-Controller/Treasurer/Tax Collector to post budget adjustments to the Bloomington Recreation and Park District's 2021-22 budget, as detailed in the Financial Impact section, for the Ayala Park Relocation Project (Four votes required).
- d. Authorize the Chairman of the Board of Directors or the Chief Executive Officer, upon consultation with County Counsel, to make any necessary non-substantive modifications and approve/execute certain ancillary documents relating to the Ayala Park Relocation Project.

(Presenter: Brendon Biggs, Director, 387-7906)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Promote the Countywide Vision.

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

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

Pursue County Goals and Objectives by Working with Other Agencies and Stakeholders.

FINANCIAL IMPACT

Approval of this item will result in costs incurred of \$1,500,000 for additional improvements related to the Ayala Park Relocation Project (Relocation Project). The costs will be funded through a \$1,500,000 short-term loan from the San Bernardino County General Fund to the Bloomington Recreation and Park District (District). This loan will be repaid (with interest) upon the District's receipt of a \$1,500,000 funding allocation from the State of California (State) that was appropriated for Ayala Park in the State's 2021-22 budget.

The Loan Agreement requires repayment to San Bernardino County (County) by June 30, 2022. If the District fails to receive State funding or such funds are insufficient to repay the entire County loan, then the District will use its existing funding sources including but not limited to property taxes, fee revenues, and available reserves for repayment of loan.

The following budget adjustments are needed to proceed with the additional improvements for Ayala Park, as well as to provide sufficient appropriation for interest expense on the short-term loan:

Cost Center	Commitment Item	Description	Action	Amount
Community Development and Housing Agency:				
6210002496	53003205	Public Assistance	Increase	\$1,500,000
6210002496	40909975	Operating Transfer In	Increase	\$1,500,000
Bloomington Recreation and Park District:				
6250003166	55305030	Operating Transfer Out	Increase	\$1,500,000
6250003166	40408840	State Funding - Other	Increase	\$1,500,000
6250002584	53003330	Debt Service - Interest	Increase	\$40,000
6250002584	37008880	Fund Balance - Available Reserves	Decrease	(\$40,000)

BACKGROUND INFORMATION

As part of the Board of Supervisors' vision in revitalizing unincorporated areas of the County, the community of Bloomington was identified as an investment and revitalization opportunity area. Revitalization efforts within this community have included adoption of the Valley Corridor Specific Plan (VCSP), which encourages opportunities for healthier living, including pedestrian-oriented activity centers that highlight Bloomington's cultural, historical, and community assets. To further the VCSP vision, the County designed the third phase of the Bloomington Affordable Housing Development (Development Project), which includes relocation of Ayala Park (Park) from its existing location at 18313 Valley Boulevard in Bloomington to 17909 Marygold Avenue in Bloomington.

Purchase of property for the Park's new location was approved by the Board of Supervisors (Board) on January 23, 2018 (Item No. 40). The Park will be adjacent to the new Bloomington community center and include several recreational amenities for public enjoyment. The Development Project will be owned by Bloomington III Housing Partners L.P. and the Park will be owned by the District. Because of the separate ownership and financing structure needed for development of the Park, the County's development partner on the Development Project, The Related Companies of California, LLC, formed Bloomington Park Developer, LLC (Park Developer).

On October 16, 2018 (Item No. 22), the Board approved Development Services Agreement (Agreement No. 18-760) with Park Developer in the amount of \$635,000 for design and land use approvals for the Relocation Project.

On December 10, 2019 (Item No. 53), the Board approved Amendment No. 1 to Agreement No. 18-760 that increased the contract amount by \$4,745,000 (from \$635,000 to \$5,380,000) for Park Developer to proceed with construction of the Relocation Project. On the same item, the Board approved an agreement for a \$3,000,000 loan from the County to the District to help fund the construction costs.

On November 17, 2020 (Item No. 93), the Board approved Amendment No. 2 to Agreement No. 18-760 that increased the contract amount by \$710,000 (from \$5,380,000 to \$6,090,000) allowing Park Developer to provide additional development services for the Relocation Project. Costs for the additional services are funded through grant funds from the Fontana Water Company and available reserves of the District.

On May 18, 2021 (Item No. 98), the Board approved Amendment No. 3 to Agreement No. 18-760 that extended the term of the contract from July 1, 2021 to March 13, 2022, for a total contract term of October 16, 2018 to March 13, 2022, with no change to the contract amount. This extension was needed because of certain delays experienced by Park Developer due to the COVID-19 pandemic.

Recommendations 1.c and 2.b seek Board approval of Amendment No. 4 to Agreement No. 18-760, increasing the contract amount by \$1,500,000 (from \$6,090,000 to \$7,590,000) and extending the term of the contract from March 13, 2022 to June 13, 2022, for a total contract term of October 16, 2018 to June 13, 2022, which allows Park Developer to provide additional development services for the Relocation Project. The additional \$1,500,000 is for various Park improvements including the addition of teen play equipment, basketball court upgrades, Electric Vehicle infrastructure, zip line, and landscaping enhancements. These improvements were part of the Park's original design but were not previously included in Agreement No. 18-760 due to prior funding limitations.

Recommendations 1.a. and 2.a seek Board approval of an agreement for a \$1,500,000 loan from the County to the District for costs of the additional Park improvements. The District will repay this loan (including interest) with \$1,500,000 that is allocated for Ayala Park in the State's 2021-22 budget. The short-term loan from the County allows Park Developer to proceed with the additional improvements prior to the District's receipt of State funds.

PROCUREMENT

Based on the results of a Request for Qualifications issued by Community Development and Housing to secure a development partner for the Development Project, the Board (on November 14, 2017 - Item No. 14) selected The Related Companies of California, LLC, which subsequently formed Bloomington Park Developer LLC, as partner on the Development Project and ultimately contractor for the Relocation Project.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Michelle Blakemore, County Counsel, 387-5455, Suzanne Bryant, Deputy County Counsel, 387-5455, and Dawn Martin, Deputy County Counsel, 387-5455) on September 2, 2021; Human Services (CaSonya Thomas, Assistant Executive Officer, 387-4717) on September 7, 2021; Real Estate Services (Brandon Ocasio, Real Estate Services Manager, 387-5106) on September 3, 2021; Auditor-Controller/Treasurer/Tax Collector (Vanessa Doyle, Chief Deputy Controller, 382-3195) on September 13, 2021; Finance (Kathleen Gonzalez, Administrative Analyst, 387-5412 and Tom Forster, Administrative Analyst, 387-4635) on September 14, 2021; and County Finance and Administration (Matthew Erickson, County Chief Financial Officer, 387-5423) on September 19, 2021.