



City of Rialto

Legislation Text

File #: 18-624, **Version:** 1

For Economic Development Committee Meeting [June 27, 2018]

TO: Honorable Economic Development Committee Members

APPROVAL: Robb R. Steel, Interim City Administrator

FROM: John Dutrey, Project Manager

Request the Economic Development Committee consider interest and retain a design consultant related to County Property at southwest corner of Casmalia Avenue and Alder Avenue.

BACKGROUND:

On June 13, 2017, the City Council approved an Amended and Restated Purchase and Sale Agreement ("Agreement") between the City and the County of San Bernardino for the purchase of County property (portions of APN 1119-241-01 and 02) consisting of approximately 13.22 acres situated south of Casmalia Avenue and west of Alder Avenue ("Property"). Attached is a map showing the subdivision of the site into two parcels (**Exhibit A**).

The Property consists of two parcels: a 6.00 acre parcel beginning at Alder Avenue and going westerly ("Six Acre Parcel") and a second parcel of 7.22 acres situated west of the Six Acre Parcel ("Seven Acre Parcel"). The Agreement provides the City an option to purchase the entire site ("Site") or each parcel individually. The purchase price for each parcel is \$2,300,000 or \$4,600,000 total.

On June 12, 2018, the City Council approved making a second deposit of \$115,000 to extend escrow to December 29, 2018.

ANALYSIS/DISCUSSION:

Kosmont and staff have marketed the Site to RV and auto dealers. Staff met with RV SPA at least three times. They may be interest in acquiring and developing the Six Acre Parcel. Staff anticipates receiving an interest letter from RV SPA.

Developing the Site requires:

1. Widening and installing medians on Casmalia Avenue from the Fontana boundary to Alder Avenue ("Casmalia Improvements"); and,
2. Extending the sewer line from Alder Avenue going west on Casmalia Avenue ("Sewer Improvement"). The Sewer Improvement length includes sewer connection for Six Acre Parcel, the Seven Acre Parcel, and a vacant parcel west of the Seven Acre Parcel in Rialto.

Typically, the City requires a developer to prepare plans and construct the off-site improvements and the City provides impact fee credits/reimbursements to repay the developer. To entice a user to

develop the Site, staff proposes to retain and pay a consultant to prepare the Casmalia Improvements and Sewer Improvements construction plans. The estimated cost is \$200,000.

In addition, the City may want to utilize impact fees to pay the off-site improvements relieving the developer of the responsibility. The estimated Casmalia Improvement cost is \$1,500,000 and the Sewer Improvements is \$200,000, both totaling about \$1,700,000. The value of the land will increase upon completion of improvements and it will heighten development interest.

RECOMMENDATION:

Staff recommends that the EDC discuss options for the site and direct staff to prepare RFP for design services and submit to the City Council for approval to retain a consultant.