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SUBMITTAL TO THE BOARD OF DIRECTORS OF THE REDEVELOPMENT AGENCY COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



SUBMITTAL DATE:
July 2, 2007

FROM: Redevelopment Agency

SUBJECT: Exclusive Negotiating Agreement with R.C. Hobbs Company

RECOMMENDED MOTION: That the Board of Directors approve and authorize the Chairman to execute the Exclusive Negotiating Agreement (ENA) with R.C.Hobbs Company for the ground lease and development of 25351 Trumble Road, located in the unincorporated community of Romoland.

BACKGROUND: On January 12, 2007, the Agency distributed a Request for Qualifications and Development Proposals (RFP) for the development of a 4.82 acre site (APN 329-020-009 and APN 329-020-022) located in the I-215 Corridor Project Area, at 25351 Trumble Road, in the community of Romoland, with the goal of entering into a ground-lease for development of the site. Development of the property will fulfill the RDA objectives to redevelop an underutilized asset in a way that will complement the community and help to effectuate the redevelopment objectives of the Project Area consistent with its highest and best use.
(continued on Page 2)

FORM APPROVED
COUNTY COUNSEL

JUL 09 2007
BY Michelle Clark
Departmental Concurrence

RZ:DL:TE:RD

Robin Zimpfer
Robin Zimpfer
Executive Director

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FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	07/08

COMPANION ITEM ON BOARD OF SUPERVISORS AGENDA: No

SOURCE OF FUNDS: N/A	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE
Jennifer L. Sargent
BY: Jennifer L. Sargent

County Executive Office Signature

Dept' Recomm.: Consent Policy
Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.: None District: 5th Agenda Number:

BACKGROUND (continued): After evaluating developer responses, Agency staff selected R.C. Hobbs Company as the developer which best met the selection criteria in the RFP process. R.C. Hobbs proposes the development of a quality hotel, restaurants and a commercial center which will benefit the traveling public as well as the residents and businesses located within the trade area.

Staff recommends that the Board of Directors execute the attached Exclusive Negotiating Agreement and authorize the Executive Director to enter into negotiations with R.C. Hobbs Company to further develop plans for the site, to solicit end users and to negotiate the terms and conditions of the ground lease. Based on initial analysis, the proposed annual lease rate would be 7% of the value of the property, at \$11.00 per square foot. This translates to \$13,472 per month or \$161,668 per year.