SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



FROM: Economic Development Agency

May 12, 2011

SUBJECT: Mission Plaza – Third Amendment to the Consulting Services Agreement

RECOMMENDED MOTION: That the Board of Supervisors:

- 1. Find and determine Health and Safety Code Section 33421.1:
 - a. The attached Third Amendment to the Consultant Services Agreement is necessary for the facilitation and coordination of the improvements of the Mission Plaza Project and in order to effectuate the purposes of the redevelopment plan;
- 2. Consent to the payments by the Redevelopment Agency for the County of Riverside for the project.

BACKGROUND: (Commences on page 2) Robert Field Assistant County Executive Officer/EDA Current F.Y. Total Cost: In Current Year Budget: Yes \$0 **FINANCIAL Budget Adjustment: Current F.Y. Net County Cost:** \$0 No DATA For Fiscal Year: 2010/11 **Annual Net County Cost: \$ 0** COMPANION ITEM ON BOARD OF DIRECTORS AGENDA: Yes **Positions To Be** SOURCE OF FUNDS: Jurupa Valley Redevelopment Capital Improvement **Deleted Per A-30 Funds** Requires 4/5 Vote C.E.O. RECOMMENDATION: APPROVE & Olson **County Executive Office Signature**

Per Exec.

Policy

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Consent

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Prev. Agn. Ref.: N/A

District: 2

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BACKGROUND: In its continuing commitment to eliminate blight within the Jurupa Valley Project Area and to facilitate rehabilitation, the Board of Directors approved an acquisition agreement on April 1, 2008 for the purchase of the Mission Plaza Commercial Center located at the southeast corner of Riverview Drive and Mission Boulevard in the unincorporated community of Rubidoux.

On September 2, 2008, the Board approved an exclusive negotiating agreement with Pacmissions, LLC for the Mission Plaza Commercial Center to develop plans for the site to solicit end users and negotiate terms and conditions. Due to the region's economic deterioration, it became apparent this effort was not progressing as quickly as had been anticipated. In order to assist with this effort the Redevelopment Agency for the County of Riverside (RDA) entered into a sole source agreement with Harvey Partners, LLC, on December 21, 2009 in the amount of \$25,000. It was determined consultant had the technical expertise, experience, and intricate working knowledge and extensive background in neighborhood shopping center development of the other area in order to facilitate the business and economic transactions with anchor and pad tenants required for this project. His experience would facilitate the design development and extensive negotiations required for the success of this project. It was also not in the best interest of the project to seek other consultants due to the complexity and sensitivity of the coordination requirements necessary to complete the project.

On December 21, 2009, the Redevelopment Agency for the County of Riverside (RDA) entered into an agreement with Harvey Partners, LLC in the amount of \$25,000. The original scope of services included the review of commercial and retail conditions, development feasibility, facilitate negotiation, assist in the ground lease and reciprocal easement agreements with the anchor tenant and other retail tenants for the center, assist in marketing of the project with Grubb & Ellis, and provide financial pro forma analysis for development of the Mission Plaza.

The scope of services required for successful completion of the project was extended. RDA requested the consultant provide the additional services. On June 14, 2010, RDA entered into a first amendment for an additional amount of \$25,000 for a total of \$50,000. Furthermore, the scope of work was extended and once again on October 13, 2010, RDA entered into a second amendment in the amount of \$25,000 for a new total of \$75,000.

Due to the complexity and progression of the negotiations of this project additional services are once again required. Consultant has been requested to review all title matters, provide coordination services for all letters of intent from prospective matters, lot line adjustments, general plan amendment, zone change and Conditional Use Permit and also provide ground lease documentation for pad tenants. Consultant has agreed to provide such services. This third amendment would increase the grand total cost to \$150,000 through December 2011.

Staff recommends that the Board make the findings, and Consent to the payments by the Redevelopment Agency for the County of Riverside to Harvey Partners, LLC in the amount of \$150,000, which will allow the Agency to move forward with completion of project design and planning.

RDA staff recommends that the Board of Supervisors make the findings, and consent to the payments by the Redevelopment Agency for the County of Riverside for the project.

Attached: Third Amendment to the Consulting Services Agreement