

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

202



FROM: Redevelopment Agency

SUBMITTAL DATE:
June 16, 2011

SUBJECT: Approval of Reimbursement Agreement between the Riverside County Redevelopment Agency and the County of Riverside for the Mecca Downtown Revitalization Project – Phase 3.

RECOMMENDED MOTION: That the Board of Directors:

1. Find the following in accordance with Section 33445 of the Health and Safety Code:
 - a) The Mecca Downtown Street Revitalization Project is of benefit to the Desert Communities Project Area (Sub-Area Mecca) because it will eliminate physical blight by providing necessary infrastructure improvements and public facilities within the community; and

(Continued)

Robert Field
Executive Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 2,135,000	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2011/12

COMPANION ITEM ON BOARD OF SUPERVISORS AGENDA: Yes

SOURCE OF FUNDS: Redevelopment Agency – Desert Communities Project Area (100%)	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

BY:
Jennifer L. Sargent

County Executive Office Signature

FISCAL PROCEDURES APPROVED
 PAUL ANGULO, CPA, AUDITOR-CONTROLLER
 BY: 6/16/11
 SAMUEL WONG
 Departmental Concurrence
 DATE
 ANITA C. WILLIS
 COUNTY COUNSEL
 6-15-11
 FORM APPROVED
 BY:

Dept't Recomm.: Consent Policy
 Per Exec. Ofc.: Consent Policy

RECOMMENDED MOTION: (Continued)

- b) No other reasonable means of financing the project are available to the community as the County General Fund does not have the funds needed for the proposed improvement as a result of the current economic downturn; and
 - c) The payment of funds for the proposed improvements is consistent with the Redevelopment Implementation Plan for the Desert Communities Project Area pursuant to HSC33490 which identifies road and other infrastructure, as a necessary improvement for the Mecca Community.
2. Approve and authorize the Chairman of the Board to execute the Reimbursement Agreement by and between the Redevelopment Agency and the County of Riverside.

BACKGROUND:

The community of Mecca and the County of Riverside have identified certain improvements that are needed in the Mecca Downtown Area, including sidewalk improvements that are a priority for the highly pedestrian community.

The Mecca Downtown Street Revitalization project will include the construction of approximately seven miles of street, sidewalk, curb and gutter, and street light improvements for streets within the downtown Mecca community. The proposed improvements are intended to increase pedestrian safety by providing sidewalks and upgraded street lighting, and will improve driving and drainage conditions through the reconstruction of street pavement and the installation of curb and gutter.

The streets and their limits include:

- 66th Avenue from Hammond Road to Frank J. Valdovino Road
- 2nd Street from Hammond Road to Home Avenue
- 3rd Street from Hammond Road to Frank J. Valdovino Road
- 4th Street from Hammond Road to Frank J. Valdovino Road
- 5th Street from Lincoln Street to Frank J. Valdovino Road
- 6th Street from Lincoln Street to Dale Kiler Road
- 7th Street from Date Palm Street to Dale Kiler Road
- Hammond Road from 5th Street to south of 66th Avenue
- Lincoln Street from 5th Street to 7th Street
- Coahuilla Street from 66th Avenue to 65th Avenue
- Date Palm Street from 66th Avenue to 65th Avenue
- Brown Street from 66th Avenue to 6th Street
- Dale Kiler Road from 66th Avenue to 7th Street
- Home Avenue from 66th Avenue to 5th Street
- Frank J. Valdovino Road from south of 3rd Street to 5th Street

The project was found exempt from California Environmental Quality Act on November 4, 2008 BOD Item 4.2.

Redevelopment Agency - Approval of Reimbursement Agreement with the County of Riverside for the Mecca Downtown Street Revitalization Project - Phase 3

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The project will be constructed in five phases. The first phase of construction has been completed and included the following two streets:

2nd Street from Hammond Road to Home Avenue
Hammond Road from 2nd Street to 3rd Street

The second phase of construction began in January 2011 and will include the following eight (8) streets:

3rd Street from Hammond Road to Home Avenue
4th Street from West of Coahuilla Street to East of Dale Kiler Road
5th Street from Hammond Road to Dale Kiler Road
Coahuilla Street from 2nd Street to 5th Street
Date Palm Street from 2nd Street to 5th Street
Brown Street from 2nd Street to 5th Street
Dale Kiler Road from 2nd Street to 5th Street
Hammond Road 5th Street to 300 feet southerly

The third phase of construction will include the following three streets:

66th Street from 350 feet West of Brown Street to Home Avenue
Dale Kiler Road from 350 feet South of 66th Avenue to 2nd Street
Home Avenue from 66th Avenue to 2nd Street

Section 33445 of the Health and Safety Code provides that a Redevelopment Agency may assist in the design or development of improvements that are of benefit to the project area or in the immediate neighborhood in which the project is located. The attached reimbursement agreement between the Riverside County Redevelopment Agency and the County of Riverside will provide funds for the Riverside County Transportation Department to perform construction and construction management for the above listed streets in Phase 3.

The funding for future phases of construction will be handled through separate reimbursement agreements between the Riverside County Redevelopment Agency and the County of Riverside.

Agency staff recommends that the Board of Directors make the required findings and approve the reimbursement agreement between the Riverside County Redevelopment Agency and the County of Riverside for the Mecca Downtown Street Revitalization Project – Phase 3.

County Counsel has reviewed and approved the Agreement as to form.

Previous agenda items:

12-21-2004	Item 4.1	Design contract
04-18-2006	Item 4.2	Design contract amendment 1
11-18-2006	Item 4.1	Design contract amendment 2
11-03-2009	Items 3.35 & 4.3	Phase 1 reimbursement agreement
08-31-2010	Items 3.50 & 4.3	Phase 2 reimbursement agreement

Attachment: Reimbursement Agreement

TIP Project No. C1-0646

1 **WHEREAS**, pursuant to Section 33125 of the California Health and Safety Code,
2 the AGENCY is authorized to make and execute contracts and other instruments
3 necessary or convenient to the exercise of its powers;

4 **WHEREAS**, pursuant to Section 33421 of the California Health and Safety Code
5 a redevelopment agency may cause, provide to undertake or make provision with other
6 agencies for the installation, or construction of streets, utilities, parks, playgrounds and
7 other public improvements necessary for carrying out in the PROJECT AREA the
8 redevelopment plan;

9 **WHEREAS**, pursuant to Section 33445 of the California Health and Safety Code,
10 upon specific findings, a redevelopment agency may, with the consent of the legislative
11 body, pay all or a part of the value of the land for and the cost of the installation and
12 construction of any building, facility, structure or other improvement that is publicly
13 owned either within or without the PROJECT AREA;

14 **WHEREAS**, AGENCY and the COUNTY have determined that there is a great
15 need for street reconstruction and installation of curb, gutter, sidewalk, ADA access
16 ramps, and street lighting on 66th Avenue, Home Avenue, and Dale Kiler Road within
17 the unincorporated community of Mecca (hereinafter the "PROJECT");

18 **WHEREAS**, the PROJECT will benefit the PROJECT AREA and Community by
19 providing sidewalks for pedestrians, improving driving surfaces, improving drainage
20 conditions and eliminating blight within the PROJECT AREA and meets a primary
21 objective of the PLAN;

22 **WHEREAS**, the AGENCY agrees to reimburse the COUNTY for construction-
23 related costs associated with the PROJECT;

24 **NOW, THEREFORE**, in consideration of the covenants, conditions and
25 provisions contained herein, the Parties hereto do hereby agree as follows:

26 **SECTION 1. Purpose of AGREEMENT**. The purpose of this AGREEMENT is
27 to set forth the terms and conditions by which AGENCY will reimburse COUNTY for
28 COUNTY'S actual costs associated with the construction of the PROJECT.

1 all claims or other actions by either party in regard to any breach of this AGREEMENT.

2 **SECTION 7. Payment** AGENCY shall reimburse COUNTY for the actual cost
3 of the PROJECT as outlined in Exhibit B, which is attached hereto and made a part
4 hereof by this reference. Said cost for improvements and services shall not exceed two
5 million, one hundred and thirty five thousand (\$2,135,000) dollars which shall constitute
6 the full and complete financial obligation of the AGENCY. Said amount shall include,
7 but is not limited to, all of COUNTY's charges to construct the PROJECT.

8 COUNTY shall invoice AGENCY monthly or quarterly for the work performed
9 during the prior month and submit documentation to verify reimbursable expenditures by
10 COUNTY. A written project status report shall also be included with each invoice. Said
11 status report shall provide a description of the work completed that AGENCY is being
12 billed for and indicate the percentage of the project which is completed. The final
13 invoice shall be received by AGENCY within 12 months of completion of the
14 construction of the project. After said 12 month period, AGENCY will reprogram any
15 remaining funds.

16 **SECTION 8. Principal Contact Persons**. The following individuals are hereby
17 designated to be the principal contact persons for their respective parties:

18
19 **AGENCY:** Leah Rodriguez, Project Manager
20 Redevelopment Agency for the County of Riverside
21 44-199 Monroe St., Suite B, Indio, CA 92201
22 (760) 863-2534

23
24 **COUNTY:** Cathy Wampler, Senior Civil Engineer
25 Riverside County Transportation Department
26 4080 Lemon Street, 8th Floor, Riverside, CA 92501
27 (951) 955-6803
28

1 **SECTION 9. Conflict of Interest.** No member, official or employee of AGENCY
2 or COUNTY shall have any personal interest, direct or indirect, in this AGREEMENT nor
3 shall any such member, official or employee participate in any decision relating to this
4 AGREEMENT which affects his or her personal interests or the interests of any
5 corporation, partnership or association in which he or she is directly or indirectly
6 interested.

7 **SECTION 10. Interpretation and Governing Law.** This AGREEMENT and any
8 dispute arising there under shall be governed and interpreted in accordance with the
9 laws of the State of California. This AGREEMENT shall be construed as a whole
10 according to its fair language and common meaning to achieve the objectives and
11 purposes of the Parties hereto, and the rule of construction to the effect that ambiguities
12 are to be resolved against the drafting party shall not be employed in interpreting this
13 AGREEMENT, all parties having been represented by counsel in the negotiation and
14 preparation hereof.

15 **SECTION 11. No Third Party Beneficiaries.** This AGREEMENT is made and
16 entered into for the sole protection and benefit of the Parties hereto. No other person or
17 entity shall have any right of action based upon the provisions of this AGREEMENT.

18 **SECTION 12. Indemnification.** Except as to any legal challenge or claim
19 brought by any person or entity questioning the use of redevelopment funds for the
20 purposes set forth herein that is the subject of this AGREEMENT:

21 (i) COUNTY shall indemnify and hold AGENCY, its elected officials,
22 officers, directors, affiliates, agents and employees free and harmless from liability to
23 any person or entity not a party to this AGREEMENT from any damage, loss or injury to
24 person and/or property which primarily relates to or arises from the negligence or willful
25 misconduct of COUNTY, its officers, agents, or employees in the execution or
26 implementation of this AGREEMENT;

27 (ii) AGENCY shall indemnify and hold COUNTY, its officers, agents, or
28 employees free and harmless from any person or entity not a party to this

1 AGREEMENT from any damage, loss or injury to person and/or property which primarily
2 relates to or arises from the negligence or willful misconduct of AGENCY, its elected
3 officials, officers, directors, affiliates, agents, or employees in the execution or
4 implementation of this AGREEMENT.

5 **SECTION 13. Insurance.** COUNTY shall cause COUNTY's
6 Contractor/Consultant to maintain in force, until completion and acceptance of the
7 PROJECT, a policy of Contractual Liability Insurance, including coverage of Bodily
8 Injury Liability and Property Damage Liability, in the amount of \$2,000,000 minimum
9 single limit coverage, and a policy of Automobile Liability Insurance in the amount of
10 \$1,000,000 minimum. Endorsements to each policy shall be required which name the
11 AGENCY, its officers, directors, officials, agents and employees as additionally insured.
12 COUNTY shall also require COUNTY's Contractors/Consultant to maintain Worker's
13 Compensation Insurance. COUNTY shall provide Certificates of Insurance and
14 Additional Insured Endorsements which meet the requirements of this section to
15 AGENCY upon request.

16 **SECTION 14. Section Headings.** The Section headings herein are for the
17 convenience of the Parties only and shall not be deemed to govern, limit, modify or in
18 any manner affect the scope, meaning or intent of the provisions or language of this
19 AGREEMENT.

20 **SECTION 15. Project Sign.** COUNTY agrees that AGENCY may place a
21 project sign at the PROJECT site identifying the AGENCY as a funding source for the
22 road improvement project.

23 **SECTION 16. Entire Agreement.** This AGREEMENT is intended by the Parties
24 hereto as a final expression of their understanding with respect to the subject matter
25 hereof and as a complete and exclusive statement of the terms and conditions thereof
26 and supersedes any and all prior and contemporaneous agreements and
27 understandings, oral or written, in connection therewith. Any amounts to or clarification
28 necessary to this AGREEMENT shall be in writing and acknowledged by all Parties to

1 the AGREEMENT.

2 **SECTION 17. Amendments to the Agreement.** It is agreed that the rights,
3 interests, understandings, agreements and obligations of the respective parties
4 pertaining to the subject matter of this AGREEMENT may not be amended, modified or
5 supplemented in any respect except by a subsequent written instrument evidencing the
6 express written consent of each of the parties hereto and duly executed by the Parties.
7 AGENCY'S Executive Director and COUNTY'S Director of Transportation are
8 authorized to approve and execute amendments to the AGREEMENT up to ten percent
9 (10%) of the total PROJECT budget for services consistent with the approved scope of
10 services. Such amendments shall be mutually agreed upon by and between the
11 AGENCY'S Executive Director and COUNTY'S Director of Transportation prior to the
12 authorization of any additional work by and shall be incorporated in written amendments
13 to this AGREEMENT.

14 **SECTION 18. Successors and Assigns.** This AGREEMENT shall inure to the
15 benefit of, and be binding upon, the successors, executors, administrators, legal
16 representatives and assigns of the Parties hereto.

17 **SECTION 19. Termination by AGENCY.** AGENCY shall have the right to
18 terminate this AGREEMENT in the event COUNTY fails to perform, keep or observe
19 any of its duties or obligations hereunder; provided however, that COUNTY shall have
20 thirty (30) days in which to correct such breach or default after written notice thereof has
21 been served on it by AGENCY.

22 **SECTION 20. Termination by COUNTY.** COUNTY shall have the right to
23 terminate this AGREEMENT in the event AGENCY fails to perform, keep or observe
24 any of its other duties or obligations hereunder; provided however, that AGENCY shall
25 have thirty (30) days in which to correct such breach or default after written notice
26 thereof has been served on it by COUNTY.

27
28 **IN WITNESS WHEREOF, AGENCY and COUNTY have executed this**

1 AGREEMENT as of the date first above written.

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3 **REDEVELOPMENT AGENCY FOR THE COUNTY OF RIVERSIDE**
4 **COUNTY OF RIVERSIDE**

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8 _____
Bob Buster, Chairman

9 Board of Directors

Board of Supervisors

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11 **ATTEST:**

12 Kecia Harper-Ihem, Clerk of the Board

13

14

15 BY: _____

16 Deputy

17

18 **APPROVED AS TO FORM:**

19 Pamela J. Walls, County Counsel

20

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22 BY:  _____

23 Deputy

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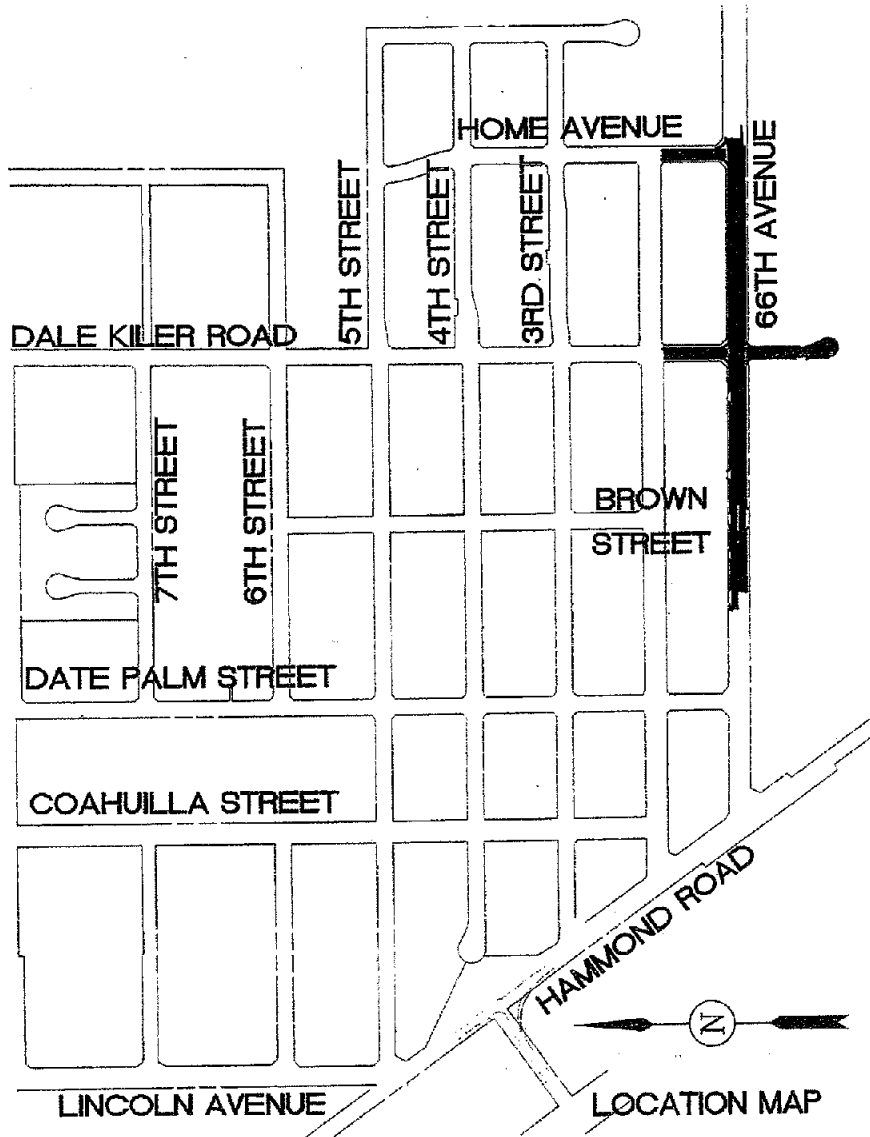
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EXHIBIT A
LOCATION OF PROJECT

MECCA STREETS REVITALIZATION PROJECT
PHASE 3



1 **EXHIBIT B**

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3 **SCOPE OF WORK**

4
5 COUNTY will oversee and/or perform the following tasks:

6

7 Preliminary Survey *	\$0
8 Design *	\$0
9 Environmental *	\$0
10 Right of Way **	\$0
11 Utilities **	\$0
12 Construction (with 15% contingency)	\$1,779,000
13 Construction Engineering & Inspection	\$249,000
14 Construction Survey	<u>\$107,000</u>
15 TOTAL	\$2,135,000

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21 Notes:

22 * Design-related services were covered under a separate reimbursement agreement between
23 COUNTY and AGENCY and are not a part of this AGREEMENT.

24 ** Right-of-way engineering and acquisition, and utility installation and relocation costs, are not
25 included within the scope of work.

26
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