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

618



FROM: COUNTY EXECUTIVE OFFICE

SUBMITTAL DATE: March 23, 1999

SUBJECT: Response to Grand Jury Report: Parks District

RECOMMENDED MOTION: That the Board of Supervisors:

- 1) Approve, with or without modifications, the attached response to the Grand Jury's recommendations regarding the Parks District; and
- 2) Direct the Clerk of the Board to immediately forward the Board's finalized response to the Grand Jury, to the Presiding Judge, and to the County Clerk-Recorder (for mandatory filing with the State).

BACKGROUND: On January 12, the Board directed staff to prepare a draft of the Board's response to the Grand Jury's report regarding the Parks District.

Section 933 of the Penal Code requires that the Board of Supervisors comment on the Grand Jury's recommendations pertaining to matters under the control of the Board, and that a response be provided to the Presiding Judge of Superior Court within 90 days after the report was issued.

Attachment

THOMAS M. DeSANTIS
Deputy County Executive Officer

FINANCIAL DATA:	N/a		
CURRENT YEAR COST	\$	ANNUAL COST	\$
NET COUNTY COST	\$	IN CURRENT YEAR BUDGET:	
SOURCE OF FUNDS:		BUDGET ADJUSTMENT:	FOR FY:

C.E.O. RECOMMENDATION: APPROVE

County Executive Officer Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Buster, seconded by Supervisor Tavaglione and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Buster, Tavaglione and Venable
 Noes: None
 Absent: Wilson and Mullen
 Date: March 23, 1999

Gerald A. Maloney
 Clerk of the Board
 By:

xc: E.O. Grand Jury, Consolidated Courts, Parks, Recorder
 Prev. Agn. ref. 3.6, 1/12/99 Dist. AGENDA NO. Deputy

3.5

Policy
 Policy
 Consent
 Consent
 Dep't ...ent Recommendation:
 Per Executive Office:

SPECIFIC FINDINGS AND RECOMMENDATIONS

ADMINISTRATIVE AND FINANCIAL

RIVERSIDE COUNTY REGIONAL PARK AND OPEN-SPACE DISTRICT

RECOMMENDATION:

1. *Thoroughly review the chronological history of this 22-acre parcel of land from 1963 to the present.*

RESPONSE:

In 1996 and 1997 the County borrowed approximately \$465,000 from the State Department of Boating and Waterways for the construction of infrastructure and facilities at the Blythe Marina Mobile Estates. The loan was to be serviced with revenues from the mobile home park and the Blythe Marina RV Park. The loan was non-performing for a number of years for various reasons and the debt was rescheduled several times.

Loan payments are being made in the amount of \$53,580 per year; the principal balance as of August 1, 1998 was \$695,134. The last payment is scheduled for August 1, 2016.

Additionally, the District acquired the remainder of the former park concessionaire's leasehold interest for \$500,000 to settle a dispute. Mobile homes were also purchased at this time and are rented at the park.

The former onsite management company left (contract was terminated) in November 1998, with considerable deferred maintenance, which the District is in the process of completing. This may cost as much as \$50,000 this fiscal year.

Negotiations were begun with Newport Pacific Capital Co. in response to a request for proposals that was issued for a company to improve the park and other County property along the Colorado River and to operate the improved marina facilities on the Park's behalf.

RECOMMENDATION:

2. *Not proceed with plans for the further development of the Mobile Home Estates.*

RESPONSE:

Further development at the Mobile Home Estates is not anticipated in the near future.

RECOMMENDATION:

3. *Sell the Blythe Mobile Home Estates and the proceeds be used to fulfill the mission statement of the District.*

RESPONSE:

Do not concur.

The District has made a significant investment in the Blythe Marine Mobile Estates and is now in the process of correcting much of the accumulated deferred maintenance. The revenues in the enterprise fund dedicated to the Blythe Marina also allows completion of modest improvements, which will enhance the revenue generating capacity of this asset.

Blythe Marina Mobile Estates is not a park, per se, but it nevertheless represents the stable funding mechanism required to retire the construction loan debt at an early date and then to use the rental revenue to further the mission of the Park District.

Any attempt to sell the mobile home park at this time will not likely allow the Park District to recoup the large investment that was made.