

PROJECT FUNDING AGREEMENT NO. 25-1003256

FOR

MIXED-USE PARKING STRUCTURE PROJECT

(CITY OF UPLAND)

THIS FUNDING AGREEMENT (“AGREEMENT”), by and between the San Bernardino County Transportation Authority, a statutorily-created public agency (Public Utilities Code §§ 130800 et seq.) (“AUTHORITY”), 1170 W 3rd St 2nd floor, San Bernardino, CA 92410, and the City of Upland, a municipal corporation (“CITY”), 460 N Euclid Ave, Upland, CA 91786. AUTHORITY and CITY are hereafter referred to individually as “Party” and collectively as “Parties”.

RECITALS

- A. WHEREAS, AUTHORITY and CITY desire to enter into this AGREEMENT to define their respective roles and responsibilities related to the development of plans, specifications and estimate (“PS&E”) for a mixed-use parking structure, located at the southeast corner of North 1st Avenue and East C Street in Upland, CA, (the “PROJECT”), as described in Exhibit A; and
- B. WHEREAS, on November 6, 2024, AUTHORITY’s Board of Directors (the “Board”) approved programming of \$500,000 in funds generated from the sale of the properties located at 201-299 East Stowell Street, Assessor’s Parcel Number (APN) 1046-605-01, and 120 South Euclid Avenue, APN 1046-605-02 and APN 1046-605-03, known as the Upland Surplus Properties, for additional parking to be constructed on CITY-owned land in the vicinity of the Upland Metrolink Station (“STATION”); and
- C. WHEREAS, on November 6, 2024, the Board authorized the Executive Director of AUTHORITY to negotiate and submit for Board approval a funding agreement with the City of Upland, with the minimum terms and conditions outlined in Exhibit B; and
- D. WHEREAS, the Parties intend that a certain number of the PROJECT’s estimated 409 parking spaces, to be determined subsequently by the Parties, shall be dedicated and reserved exclusively for Metrolink rail service patrons and added to the existing 227 reserved Metrolink parking spaces on the STATION’s non-operating property, as provided in the Upland Station Cooperative Agreement between AUTHORITY and CITY, dated March 8, 1993, as amended, known also as Contract No. 93-051.

NOW, THEREFORE, the Parties agree to the following:

SECTION I

AUTHORITY AGREES:

- 1. To reimburse CITY for the actual cost of the PS&E up to a maximum of \$500,000. Such amount may be increased, including funds for additional costs of the PROJECT, only by a written amendment to this AGREEMENT approved by the Board. AUTHORITY shall

have no further responsibility to provide any funding for PROJECT exceeding this amount absent such an amendment to this AGREEMENT. Notwithstanding any provisions in this AGREEMENT to the contrary, CITY may apply to AUTHORITY for, and AUTHORITY may in its discretion approve, separate and additional funds for construction and completion of the PROJECT from AUTHORITY's Upland Surplus Land proceeds.

2. To reimburse CITY within forty-five (45) days after CITY submits an electronic copy of a signed invoice, in a form satisfactory to AUTHORITY, covering those actual allowable PROJECT-related expenditures for PS&E incurred by CITY, up to the maximum amount identified in Section I, Paragraph 1 of this AGREEMENT. Invoices may be submitted to AUTHORITY as frequently as once a month.
3. AUTHORITY reserves the right to audit CITY's documents, books and records related to the PROJECT, in accordance with Section II, Paragraphs 11 and 14, of this AGREEMENT.
4. When conducting an audit of the costs claimed under the provisions of this AGREEMENT, SBCTA will rely to the maximum extent possible on any prior audit of CITY related to the PROJECT performed pursuant to the provisions of State and Federal laws. In the absence of such an audit, work of other auditors will be relied upon to the extent that work is reasonably acceptable to AUTHORITY when planning and conducting additional audits.
5. To assign a PROJECT liaison for the purpose of attending PROJECT Development Team ("PDT") meetings.

SECTION II

CITY AGREES:

1. To proceed with the PROJECT, including PS&E, in a timely manner.
2. To design and construct, or cause to be designed and constructed, the PROJECT.
3. To certify that all goods and services associated with the PROJECT have been procured in a manner consistent with all Local, State, and Federal laws which may be applicable to the PROJECT.
4. To be responsible for expending reimbursable funds on eligible PROJECT expenses in an amount not to exceed \$500,000 unless an amendment to this AGREEMENT increasing PROJECT costs is approved by the Board. Reimbursement by AUTHORITY shall be in accordance with Section I, Paragraph 2. Expenses relative to time spent on the PROJECT by CITY staff are not eligible PROJECT reimbursable expenses.
5. To secure all necessary State and Federal authorizations that are required before releasing an invitation for bids for construction of the PROJECT.
6. To abide by all applicable AUTHORITY, CITY, State and Federal laws, regulations, policies and procedures pertaining to the PROJECT.
7. To prepare and submit to AUTHORITY an electronic copy of signed invoices, in a format reasonably satisfactory to AUTHORITY, for reimbursement of eligible PROJECT expenses. Invoices may be submitted to AUTHORITY as frequently as once per month.

8. To certify that the PROJECT will be completed and remain in operation for its useful life, as reasonably estimated by the Parties in accordance with Generally Accepted Accounting Principles, but in no case less than a period of 35 years.
9. To not dispose of, or otherwise deprive Metrolink rail service patrons of, the reserved parking spaces without prior written approval of AUTHORITY. The Board must approve any sale or surplus of real property impacting the Metrolink rail service patron reserved parking spaces; said approval shall be conditioned upon AUTHORITY receiving a proportional share of the then-fair market value of the PROJECT based upon AUTHORITY's total financial contribution to the PROJECT and CITY's estimated total PROJECT cost of \$22 million, or other such final total PROJECT cost to be memorialized in an amendment to this AGREEMENT at a later date.
10. To reimburse AUTHORITY, without interest, the full amount of any and all payments made to CITY for the PROJECT if PROJECT is not completed before the end of the tenth calendar year following the initial allocation. For example, if AUTHORITY makes an initial allocation in the 2025 calendar year, then CITY must reimburse AUTHORITY if construction of the PROJECT is not completed on or before December 31, 2035.
11. To maintain all source documents, books and records connected with its performance under this AGREEMENT for a minimum of five (5) years from the date of submittal of the Final Report of Expenditures to AUTHORITY or until audit resolution is reasonably diligently and expeditiously achieved, whichever is later, and to make all such supporting information available for inspection and audit by representatives of AUTHORITY during normal business hours at CITY Hall. Copies will be made and furnished by CITY upon written request by AUTHORITY.
12. To establish and maintain an accounting system conforming to Generally Accepted Accounting Principles (GAAP) to support CITY's requests for reimbursement, payment vouchers, or invoices which segregate and accumulate costs of PROJECT elements and produce monthly reports which clearly identify reimbursable costs, matching fund costs, indirect cost allocation, and other allowable expenditures by CITY.
13. To prepare a Final Report of Expenditures, including a final invoice reporting the actual eligible PROJECT costs expended for those activities described in the work activities, and to submit that Final Report of Expenditures and final invoice no later than one hundred twenty (120) days following the completion of those expenditures funded under this AGREEMENT. The Final Report of Expenditures shall be submitted to AUTHORITY and must state that these PROJECT funds were used in conformance with this AGREEMENT and for those PROJECT-specific work activities described.
14. To cooperate with AUTHORITY in conducting a PROJECT-specific audit and to provide detailed PROJECT information, or access to PROJECT records, books, and documents, to AUTHORITY and its authorized representatives or agents upon the request of AUTHORITY at any time up to December 31 of the calendar year following the completion of the PROJECT. The audit must confirm that all funds expended on the PROJECT were used in conformance with this AGREEMENT. CITY shall maintain all records related to this AGREEMENT in an organized way in the original format, electronic or hard copy, conducive to provisional review and audit.

15. To reimburse to AUTHORITY the amounts of any costs that are reasonably determined by subsequent audit to be unallowable within one hundred twenty (120) days of CITY's receipt of notice of audit findings, which time shall include an opportunity for CITY to respond to and/or resolve the findings. Should the findings not be otherwise reasonably resolved and CITY fail to reimburse moneys due AUTHORITY within one hundred twenty (120) days of said notice, or within such other period as may be agreed upon by both Parties, AUTHORITY reserves the right to withhold future payments due CITY from any source under AUTHORITY's control.
16. To include AUTHORITY in PDT meetings if and when such meetings are held and in related communications on PROJECT progress, to provide at least quarterly schedule updates to AUTHORITY, and to consult with AUTHORITY on critical issues relative to the PROJECT.
17. To include in all contracts between CITY and contractors and consultants for the construction or design of the PROJECT the requirement that AUTHORITY be named as an indemnitee and an additional insured under general liability insurance policies maintained by the contractor and or consultants for the PROJECT.

SECTION III

IT IS MUTUALLY AGREED:

1. To abide by all applicable Federal, State and Local laws and regulations pertaining to the PROJECT.
2. The final PROJECT cost may ultimately exceed current estimates of PROJECT cost. Any additional eligible costs resulting from unforeseen conditions shall be borne by CITY unless prior authorization has been approved by the Board pursuant to Section III, Paragraph 3 of this AGREEMENT.
3. AUTHORITY shall not be responsible for PROJECT costs in excess of the amounts identified in Section I, Paragraph 1, absent a written amendment to this AGREEMENT that is approved and signed by both Parties.
4. Eligible PROJECT reimbursements shall include only those costs incurred by CITY for PROJECT-specific work activities that are described in this AGREEMENT and shall not include escalation or interest.
5. Neither AUTHORITY nor any officer or employee thereof is responsible for any injury, damage or liability occurring or arising by reason of anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction delegated to CITY under this AGREEMENT. It is understood and agreed that, pursuant to Government Code Section 895.4, CITY shall fully defend, indemnify and save harmless AUTHORITY, its officers and employees from all claims, suits or actions of every name, kind and description brought for or on account of injury (as defined by Government Code Section 810.8) occurring by reason of anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction delegated to CITY under this AGREEMENT.
6. Neither CITY nor any officer or employee thereof is responsible for any injury, damage or liability occurring or arising by reason of anything done or omitted to be done by

AUTHORITY under or in connection with any work, authority or jurisdiction delegated to AUTHORITY under this AGREEMENT. It is understood and agreed that, pursuant to Government Code Section 895.4, AUTHORITY shall fully defend, indemnify and save harmless CITY, its officers and employees from all claims, suits or actions of every name, kind and description brought for or on account of injury (as defined by Government Code Section 810.8) occurring by reason of anything done or omitted to be done by AUTHORITY under or in connection with any work, authority or jurisdiction delegated to AUTHORITY under this AGREEMENT.

7. In the event CITY and/or AUTHORITY is found to be comparatively at fault for any claim, action, loss or damage which results from their respective obligations under this AGREEMENT, CITY and/or SBCTA shall indemnify the other to the extent of its comparative fault.
8. This AGREEMENT will be considered terminated upon reimbursement of all eligible costs by AUTHORITY or December 31, 2035, whichever is sooner, provided that the provisions of Paragraphs 10, 11, 12, 13, 14, and 15 of Section II, and Paragraphs 5, 6 and 7 of Section III, shall survive the termination of this AGREEMENT. The AGREEMENT may also be terminated by AUTHORITY, in its sole discretion, in the event the PROJECT has not been initiated by CITY within twelve (12) months of the later date that this AGREEMENT is executed by both Parties.
9. AUTHORITY may terminate this Agreement if CITY fails to perform according to the terms of this AGREEMENT and if this failure jeopardizes the delivery of the PROJECT according to the terms herein.
10. The Recitals to this AGREEMENT are true and correct and are incorporated into this AGREEMENT.
11. Exhibit A “Description of Project and Milestones” and Exhibit B “Summary of Estimated Costs” are attached to and incorporated into this AGREEMENT.
12. The AGREEMENT may be signed in counterparts, each of which shall constitute an original, but all of which together will constitute one and the same instrument. The signature page of this AGREEMENT or any amendments may be executed by way of a manual or authorized digital signature. Delivery of an executed counterpart of a signature page to this AGREEMENT or an amendment by electronic transmission scanned pages shall be deemed effective as a delivery of a manually or digitally executed counterpart to this AGREEMENT or any amendment.
13. This AGREEMENT is effective on the later date that it is executed by both Parties.

-----SIGNATURES ARE ON THE FOLLOWING PAGE-----

IN WITNESS WHEREOF, the Parties have executed this AGREEMENT by their authorized signatories below.

**SAN BERNARDINO COUNTY
TRANSPORTATION AUTHORITY**

CITY OF UPLAND

By: Ray Marquez
Ray Marquez (May 29, 2025 10:58 PDT)
Ray Marquez, President
Board of Directors

Date: May 29, 2025

By: Bill Velto
Bill Velto (May 28, 2025 12:09 PDT)
Bill Velto
Mayor

Date: May 28, 2025

ATTEST:

By: Keri Johnson
Keri Johnson (May 28, 2025 13:31 PDT)
City Clerk

APPROVED AS TO FORM:

By: Julianna K. Tillquist
Julianna K. Tillquist
SBCTA General Counsel

Date: May 28, 2025

APPROVED AS TO FORM:

By: Stephen Deitsch
Stephen Deitsch (May 28, 2025 11:48 PDT)
Stephen P. Deitsch
City Attorney

Date: May 28, 2025

EXHIBIT A

UPLAND MIXED-USE PARKING STRUCTURE PROJECT Description of Project and Milestones

PROJECT DESCRIPTION:

The project consists of a 5-level structure providing approximately 400 parking stalls in 150,000 square feet. The ground floor will include retail space along the two street frontages, totaling approximately 9,900 square feet of area. This structure will be of concrete cast-in-place (CIP) construction with post-tensioned slabs and beams, and reinforced concrete columns. The lateral force resisting system will be a combination of special reinforced concrete moment frames and shear walls. Foundations will be shallow spread/strip footings. The exterior design will take inspiration from the local packing house using a combination of brick veneer and corrugated metal panels.

SCHEDULE/MILESTONES:

The remaining design phases for the parking structure includes the following:

Design Development (60% Design Document) 10 weeks

Prepare and provide 60% design drawings and outline specifications for client review.

Construction Documents (90% Design Documents) 12 weeks

Prepare and provide 90% Construction Document drawings, specifications, and calculations for permit submittal.

Plan Check (100% Design Documents) 8-12 weeks

Provide plan check response support including one resubmittal and response to plan check comments.

Prepare and deliver a 100% permitted set of drawings, specifications, and calculations ready for construction.

EXHIBIT B

UPLAND MIXED-USE PARKING STRUCTURE PROJECT Revised Summary of Estimated Costs

	DESIGN DEVELOPMENT (60% DESIGN)	CONSTRUCTION DOCUMENTS (90% DESIGN)/ PLAN CHECK	REIMBURSABLE EST.	TOTAL
ARCH/PARKING	\$ 80,000	\$ 140,000	\$ 5,000	\$225,000
STRUCTURAL	\$ 60,000	\$ 135,000		\$195,000
CIVIL	\$ 43,000	\$ 77,000		\$120,000
LANDSCAPE	\$ 17,260	\$ 41,580		\$ 58,840
MEP	\$ 30,000	\$ 37,500		\$ 67,500
COST ESTIMATING	\$ 14,025	\$ 15,895		\$ 29,920
TOTAL	\$ 244,285	\$ 446,975	\$ 5,000	\$696,260

* Notwithstanding the amounts identified above, reimbursement under this agreement is capped at \$500,000.