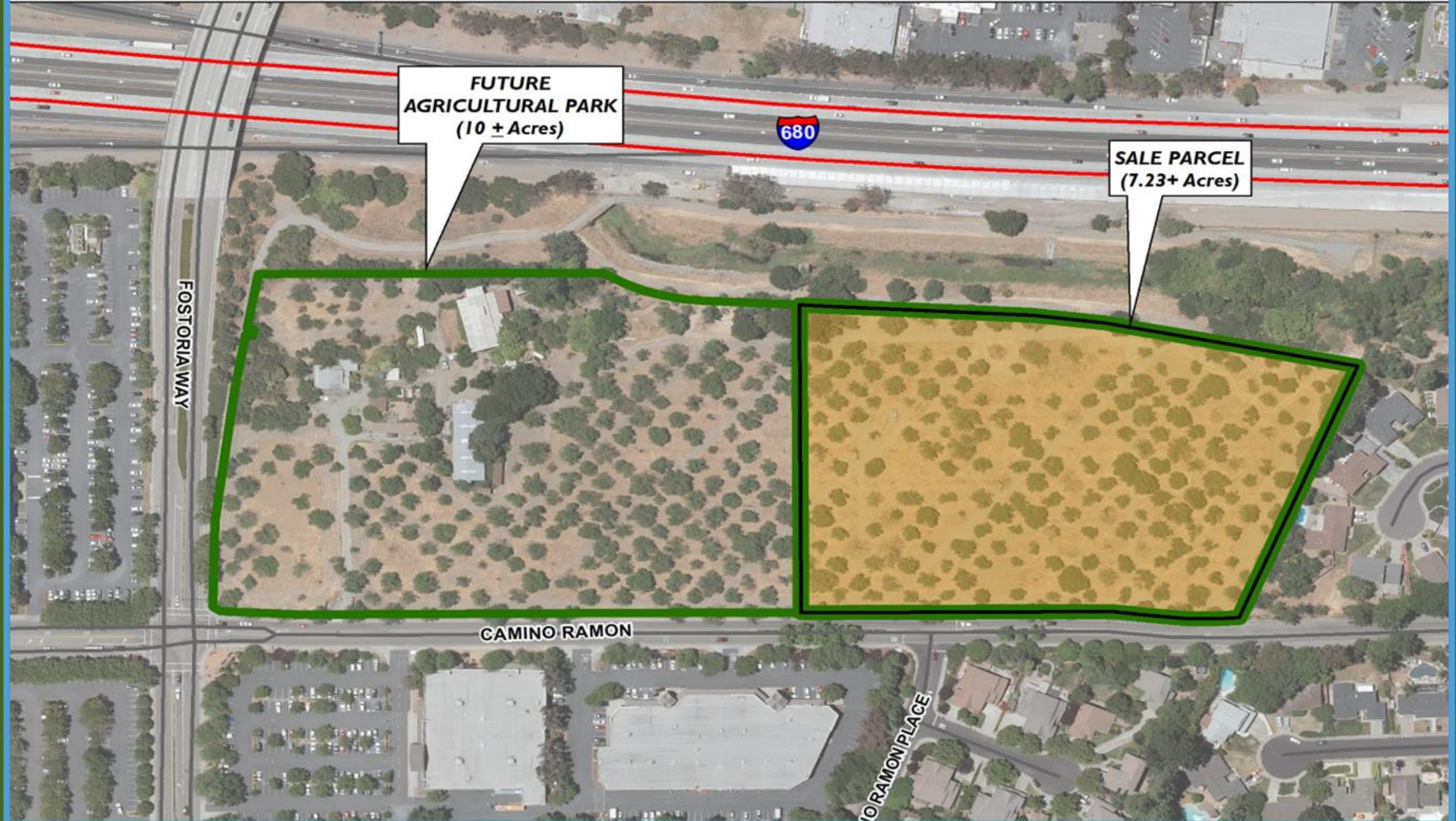
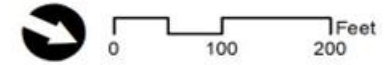


Approval of Borel Accounting and Disbursement of Net Property Sale Proceeds

EBRPD Board Meeting Presentation • March 19, 2024

East Bay 
Regional Park District

BOREL TRUST PROPERTY: SALE PARCEL
APN: 218-090-031-4 (Portion)



Background

- Armand Borel bequeathed his 17-acre Danville homestead and walnut orchard to Park District, with the desire for it to be used as an agricultural park
- Armand Borel passed away April 19, 2009
- The Borel Trust faced significant challenges, including malfeasance by the first Trustee and insolvency, which included:
 - \$3.1 million tax liability
 - Lengthy litigation over alleged option agreement
 - Outstanding debts and claims against the Trust in excess of \$6.9 million
- EBRPD purchased loan and trust deed to prevent foreclosure

Sale of Northern Parcel

- There were inadequate funds available to:
 - Clean-up property
 - Develop and operate an agricultural park
 - Repay Park District general fund monies and outstanding claims
- March 2019: Court authorized sale of the northern 7± acres of the property (“Sale Parcel”)
- July 16, 2019: Board authorized issuance of RFP for sale of Sale Parcel
- May 4, 2021: Board selects Trumark as buyer and enters into a Purchase and Sale Agreement with Trumark (Resolution # 2021-05-120)

Trumark PSA

- Park District and Trumark enter into a Purchase and Sale Agreement (“PSA”) for the Sale Parcel.
 - PSA has been amended three times.
 - As amended, the Purchase Price for Sale Parcel is \$32,000,000.
 - PSA also requires Trumark to assist with Park District creation of Mello-Roos CFD.
- Following May 2021 approval of PSA, Park District used initial Trumark deposit money to pay off all 3rd Party claims on property.
- All remaining loans/claims are held by Park District.
- Trumark has obtained Danville entitlements and is ready to close escrow by end of the month.

Net Sale Proceeds Accounting

- May 2021 Board action (Reso 2021-05-120) authorized deposit of “net sale proceeds” into a fund for the development of agricultural park
- Net Sale Proceeds = those sale proceeds that remain after Park District loans are repaid.

Description	Amount	Interest & Penalties	Total
2012 loan	700,000	793,333	1,493,333
2013 & 2014 loans	131,959	136,207	268,166
2013 Prom. Note	1,500,407	2,716,432	4,216,839
2014 loan	700,000	665,000	1,365,000
2017 & 2019 award	1,268,436	922,896	2,191,332
TOTAL	4,300,802	5,233,867	9,534,669

\$31,500,000 in escrow

(9,534,669)

\$21,965,331 remaining balance for agricultural park

RECOMMENDATION

That the Board of Directors adopt a Resolution that distributes the sale proceeds as follows:

- \$9,534,669 be reimbursed to the Park District to repay loans and awarded funds; and
- The remaining \$21,965,330 net sales proceeds be deposited into a new special revenue fund to be used for the development of an agricultural park.

Next Steps: Staff expects to close Escrow by the end of March, 2024