

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

APK



FROM: COUNTY EXECUTIVE OFFICESUBMITTAL DATE: April 7, 2003

SUBJECT: Community Facilities District No. 03-1 (Newport Road) of the County of Riverside - Public Hearing and Formation of the Community Facilities District.

RECOMMENDED MOTION: That the Board conduct the public hearing and adopt (1) Resolution No. 2003-173, approving the formation of Community Facilities District No. 03-1 (Newport Road) of the County of Riverside, authorizing the levy of a special tax, and establishing an appropriations limit for said District, (2) Resolution No. 2003-174 deeming it necessary to incur bonded indebtedness within said District and, (3) Resolution No. 2003-175 calling for a special election for said District.

BACKGROUND:

Representatives of a majority of the property owners within the proposed boundaries of Community Facilities District No. 03-1 (Newport Road) of the County of Riverside (the "District") have engaged in lengthy negotiations with County staff and representative of Supervisor Venable to establish the District and finance a portion of the cost of extending Newport Road beyond Menifee Road. The extension of Newport Road would provide a major east west connection between Interstate 215 and Winchester Road/State Route 79, easing traffic congestion on Winchester Road.

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Debra Cournoyer
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FURNISHED
COUNTY COUNSEL

APR 07 2003

FINANCIAL DATA:

CURRENT YEAR COST:	\$ n/a	ANNUAL COST	\$
NET COUNTY COST:	\$ n/a	IN CURRENT YEAR BUDGET:	YES/X NO/
		BUDGET ADJUSTMENT:	YES/ NO/X FOR FY: 02/03

SOURCE OF FUNDS: Bond Proceeds

C.E.O. RECOMMENDATION:

APPROVE

Rhonda King
County Executive Officer Signature:

Policy
 Policy

Consent
 Consent

Department Recommendation:
Per Executive Office:

Prev. Agn. Ref. Mar. 11, 2003 Item 3.4

Dist. 3

AGENDA NO.

The District would finance a substantial portion of the costs of constructing a six-lane roadway extending from Menifee Road on the west to Winchester Road on the east and half-width bridge facilities crossing Salt Creek at Leon and Rice Roads. Currently the estimated cost for the engineering, design and construction of the three facilities, including right-of-way acquisition, is approximately \$24 million. The property owners have agreed to support the formation of the District if its contribution to construction costs is limited to \$15 million. The balance is to be the County's responsibility and will come from available funds held by the Menifee Valley Road and Bridge Benefit District (the "R&BB Dist."), contributions made by Community Facilities District No. 86-1 (Menifee Village) of the County, and other funds which may become available prior to the award of any of the contracts to construct each of the three facilities. The persons owning property within the District will receive a credit against the fee to be paid to the R&BB Dist. upon issuance of a certificate of occupancy for that portion of the fee represented by the three facilities. They will also receive a credit in the same amount against the TUMF that would be due at the same time.

The Board on March 11, 2003, adopted Resolution Nos. 2003-110 and 2003-111 stating its intent to form the District and for the District to incur bonded indebtedness. The Board also set a date for a public hearing on these and other issues for April 15, 2003.

The property owners have been working closely with TLMA staff and CFD Administration to facilitate the formation of this district. The owners have deposited \$53,000 with the CFD Administration to be used for formation costs. Because of the scope of the construction project and necessary involvement of property owned by a number of separate individuals, TLMA staff and CFD Administration have concluded that the County will need to assume responsibility for the construction of all three facilities. This is at variance with current Policy B-12 regarding land secured financings that provides that the developer or principal property owner is to construct a facility that upon completion will be acquired by the CFD. The Debt Advisory Committee heard this item on February 20, 2003 and recommended approval of the waiver of Policy B-12 with regard to County assuming responsibility for the construction of the three facilities. All other requirements of Policy B-12 have been met.

COMMUNITY FACILITIES

DISTRICT REPORT

**PREPARED FOR
BOARD OF SUPERVISORS OF THE
COUNTY OF RIVERSIDE**

**COMMUNITY FACILITIES
DISTRICT NO. 03-1
(NEWPORT ROAD)**



APRIL 2003

Prepared by:

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AGENCY: BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE

PROJECT: COMMUNITY FACILITIES DISTRICT NO. 03-1 (NEWPORT ROAD)
OF THE COUNTY OF RIVERSIDE

COMMUNITY FACILITIES DISTRICT REPORT
“MELLO-ROOS COMMUNITY FACILITIES DISTRICT ACT OF 1982”

The Board of Supervisors of the County of Riverside (respectively, the "Board of Supervisors" and the "County") on March 11, 2003 adopted Resolution No. 2003-110 (the "Resolution of Intention), declaring its intention to establish Community Facilities District No. 03-1 (Newport Road) of the County of Riverside (the "Community Facilities District"), pursuant to the provisions of the "Mello-Roos Community Facilities Act of 1982", being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California,, (the "Act"). Section 9 of the Resolution of Intent directs that the appropriate officers of the County prepare and file a written report (the" Report") with the Clerk of the Board of Supervisors.

The Resolution ordering said Report did direct that said Report generally contain the following:

- Description of the Facilities by type
- Estimate of costs of Facilities
- Estimate of incidental expenses of the Facilities

For particulars, reference is made to the Resolution of Intention as previously approved and adopted.

NOW, THEREFORE, the undersigned, an officer of the County, has caused to be prepared this Report consistent with provision of the Act and the Resolution of Intention and does hereby submit the following data:

A. DESCRIPTION OF THE FACILITIES BY TYPE

The Board of Supervisors has commenced proceedings pursuant to the Act to establish the Community Facilities District and to cause a special tax to be levied within the Community Facilities District and to issue and sell bonds to finance, in part, \$15,000,000 of the construction costs of certain public improvements needed for the development of the Community Facilities District. The public facilities to be financed by the District are road facilities and appurtenances and bridge facilities (the "Facilities"). The District will contribute approximately \$15,000,000 toward the total cost of the construction of the Facilities. Additional contributions toward the cost of the Facilities will be provided from the Menifee Valley Road and Bridge Benefit District of the County, the Community Facilities District No. 86-1 (Menifee Village) of the County of Riverside, and other available funding sources. The following is a description of the Facilities whose construction is to be financed, in part, by the Community Facilities District:

Road Facilities

- ◆ Newport Road as a six lane urban arterial with raised center median from Menifee Road to Winchester Road (SH 79), with required drainage appurtenances and connectors to existing streets.

Bridge Facilities

- ◆ Leon Road Bridge at Salt Creek Channel - three lanes or half width of the ultimate bridge facility.
- ◆ Rice Road Bridge at Salt Creek Channel - two lanes or half width of the ultimate bridge facility.

B. ESTIMATE OF COSTS OF FACILITIES

The total estimated cost includes the costs of constructing the Facilities and the planning, designing, construction inspection, construction management, and environmental expenses associated with the Facilities.

IMPROVEMENTS	TOTAL ESTIMATED COST
Road Facilities	\$16,570,970
Bridge Facilities	\$8,030,880
TOTAL	\$24,601,850

C. ESTIMATE OF COSTS OF INCIDENTAL EXPENSES

DESCRIPTION	TOTAL ESTIMATED COST
Bond Issuance	\$3,782,000
District Administration (approx. annual)	\$80,000

It is the opinion of the staff of the Transportation Department and the County Executive Office that the Facilities, at the stated design levels, will adequately meet the traffic circulation requirements for the approved residential and commercial development within the Community Facilities District.

DATED April 15, 2003

County Executive Office
Special District Division

By: Rhonda King
Rhonda King
Deputy County Executive Officer