

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



**FROM:** Supervisor Venable


**SUBMITTAL DATE:** April 15, 2003

**SUBJECT:** Allocation of Third District Developer Agreement Funds on a loan basis to the City of Canyon Lake for improvements to Railroad Canyon Road

**RECOMMENDED MOTION:** That the Board join with me to:

- 1) Approve the use of \$1,000,000 of Third District Developer Agreement Fund No. 30558 on a loan basis for major improvements to Railroad Canyon Road;
- 2) Direct the Executive Office to transfer \$1,000,000 from Third District Developer Agreement Funds 30558-1103500000 to Mitigation Operations Fund No. 2250;
- 3) Direct the Executive Office to process payment in the amount of \$1,000,000 from Mitigation Operations Fund 2250 to the City of Canyon Lake;
- 4) Approve the attached City of Canyon Lake Resolution No. 03-13 as a loan payback agreement with the City of Canyon Lake.

**BACKGROUND:** Our office has been working with the City of Canyon Lake to find ways to make significant improvements to Railroad Canyon Road, a major county arterial highway which transverses the City. The City's staff and their full City Council agree that a \$1,000,000 loan from the county would enable them to immediately start on this critical project, and allow them to pay the amount back over a period of time from a variety of funding sources. Discussions were held with County Counsel, which noted that the City Council should make the request in resolution format that could serve, after acceptance by this Board, as a binding agreement. The City Council met in special session on April 23, 2003, and adopted and approved Resolution No. 03-13, which is attached. The pay back funding sources and time frames are outlined in that resolution. Working together with our local governments in this manner allows them to move ahead on important projects and pay us back in a manner that protects our dollars for future funding needs. I urge my colleagues on the Board to support this mutually beneficial process.

  
Jim Venable, Supervisor Third District  
JV:msm



# CITY OF CANYON LAKE

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**Jack Wamsley**  
Mayor  
**John Zaitz**  
Mayor Pro Tem  
**Mary Craton**  
Council Member  
**Martin Gibson**  
Council Member  
**Frank Kessler**  
Council Member

April 23, 2003

Supervisor Venable  
P.O. Box 1030  
Riverside, CA 92501

Re: Resolution 03-13

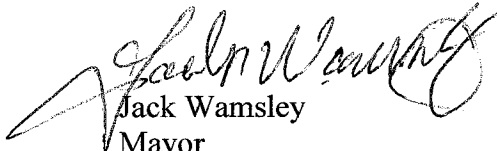
Dear Supervisor Venable:

Enclosed/attached is City of Canyon Lake City Council Resolution 03-13 which confirms the terms of the loan as previously discussed and agreed. Canyon Lake has pressing need for the loan funds for the reasons explained.

Because of the deteriorating condition of Railroad Canyon Road, the City does request that this loan agreement and proposal be presented to the Board of Supervisors at your earliest convenience. We appreciate your working with us on this matter of concern to our City and look forward to working with you as this progresses.

Please feel free to call our office should you have any questions.

Sincerely,

  
Jack Wamsley  
Mayor  
City of Canyon Lake

Resolution No. 03-13

A Resolution of the City Council of the City of Canyon Lake  
Confirming the Terms of a Loan from the County of Riverside  
for Repair of Railroad Canyon Road

The City Council of the City of Canyon Lake resolves as follows:

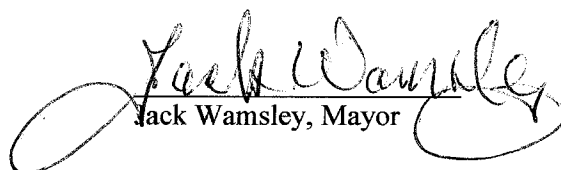
The City Council finds that:

- A. The City has an urgent need to upgrade Railroad Canyon Road based on increased heavy traffic usage from the County-approved new developments and the upgrading of 4 lanes will cost in excess of \$2 million; and
- B. The County approved circulation plan shows a potential for a 6-lane highway in the future feeding into the existing four lanes in the City of Canyon Lake, and
- C. The City has detailed its need for road repair, in a letter approved by the City Council sent by the City Manager dated April 8, 2003 and incorporated herewith.
- D. Supervisor Venable has indicated the availability of certain funds he administers to assist in the structural repair of the roadway now before more damage occurs and to mitigate the impacts of County-approved development, and
- E. The City and the Supervisor's office have agreed on an interest free loan of \$1.0 million on the terms and conditions set out below as agreed at the March 6 and April 8, 2003 meetings between the City Manager, City Council members and representatives of the Supervisor's office,

Now, therefore, the City Council resolves as follows:

1. All recitals are true and correct and that the terms and conditions ratified here are those discussed at the April 2, 2003 City Council meeting and
2. The City Council will utilize the loan for the structural repair of Railroad Canyon Road.
3. Commencing in FY 2003-2004, the City will begin repayment of the loan, without interest, (1) assigning to the Supervisor's office/County its Proposition 12 and 40 park bond funds or foregoing its allocation therefor until repayment of the loan, (2) paying to the Supervisor's office the approximately \$100,000 in Kangaroo Rat fees to be utilized as required by the terms of its authorization (such as the County's MSHCP program); (3) commencing in Fiscal Year 2004-2005 assigning to the Supervisor's office its annual allotment of CDBG funds; and (4) commencing in Fiscal Year 2009-2010 utilizing any Measure A or Proposition 42 funds as available.

Approved and Adopted this 23<sup>rd</sup> day of April, 2003.

  
Jack Wamsley, Mayor

Attest:

  
Kathy Bennett, City Clerk