

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

580



FROM: County Executive Office

SUBMITTAL DATE:
October 7, 2003

SUBJECT: Community Facilities District 87-1 (South "A" Street) Inducement Agreement with Robert Leach and Guthrie-Leach, LLC as equal owners.

RECOMMENDED MOTION: That the attached Inducement Agreement (the "Agreement"), between Community Facilities District No. 87-1 (the "District"), The County of Riverside (the "County"), the Redevelopment Agency of the County of Riverside (the "Agency"), and Robert Leach & Guthrie-Leach, LLC, as equal owners (the "Developers"), be approved and the Chairman be authorized to execute the agreement on behalf of the County.

BACKGROUND: CFD No. 87-1 is a largely undeveloped industrial park for which Community Facilities District Bonds have been issued. The District is currently experiencing delinquencies in the payment of special taxes of approximately sixteen percent (16%). The District believes that the attached Agreement, which induces payment of the delinquent special taxes and encourages the development of the properties by use of incentives, is in the best interest of the bondholders and the County.

The incentives that are part of the agreement include the waiver of penalties and interest associated with the delinquent special taxes of the District, satisfaction of foreclosure actions against two parcels, a credit towards the DIF fees associated with facilities financed by the District, fast track processing by the Agency, and credit towards the Districts special tax from the Agency through an existing Owner Participation Agreement. The Agreement has been approved as to form by County Council.

Jerry Norris

Jerry Norris, Senior Management Analyst

Departmental Concurrence

**FORM APPROVED
COUNTY COUNSEL**

SEP 30 2003

| | | | | |
|-----------------------|-------------------------------|------|-------------------------|------|
| FINANCIAL DATA | Current F.Y. Total Cost: | \$ 0 | In Current Year Budget: | No |
| | Current F.Y. Net County Cost: | \$ 0 | Budget Adjustment: | No |
| | Annual Net County Cost: | \$ 0 | For Fiscal Year: | 2003 |

| | | |
|--|---|--------------------------|
| SOURCE OF FUNDS: Community Facilities District No. 87-1 | Positions To Be Deleted Per A-30 | <input type="checkbox"/> |
| | Requires 4/5 Vote | <input type="checkbox"/> |

C.E.O. RECOMMENDATION:

APPROVE

County Executive Office Signature

Bronda King

- Dep't Recomm.: Consent Policy
- Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.:

District: 1

Agenda Number:

3.2