

558

**SUBMITTAL TO THE BOARD OF SUPERVISORS,
COMMUNITY FACILITIES DISTRICT'S LEGISLATIVE BODY
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



FROM: County Executive Office

SUBMITTAL DATE:
May 10, 2004

SUBJECT: Inducement, Escrow and Workout Agreement by and between Community Facilities District No. 88-8 of the County of Riverside ("A" Street North) and Majestic Oakwood, LLC, a Delaware limited liability company.

RECOMMENDED MOTION: That the attached Inducement, Escrow and Workout Agreement by and between Community Facilities District No. 88-8 of the County of Riverside ("A" Street-North) and Majestic Oakwood, LLC, a Delaware limited liability company be approved and the Chairman be authorized to execute said Agreement on behalf of the District.

BACKGROUND: Community Facilities District No. 88-8 (the "District") is a largely undeveloped industrial park for which special tax bonds in the amount of \$24,000,000 have been sold and issued. The District is currently experiencing a delinquency rate in the payment of special taxes of seventy-two percent (72%). Early in 2003, Majestic Realty Co. ("Majestic") approached the District and the County with a proposal that would involve the acquisition and development of 263 acres within the District.

The attached Inducement, Escrow and Workout Agreement sets forth the terms by which Majestic will acquire parcels within the district and pay the delinquent special taxes. The proposal would also require the formation of a new or overlapping community facilities district and issuance of refunding bonds, etc. District staff believes that this agreement offers a realistic opportunity to cure the delinquencies within the District and to bring the outstanding matured bonds current.

Jerry Norris

Jerry Norris, Senior Management Analyst

FORM APPROVED
COUNTY COUNSEL

MAY 11 2004

Departmental Concurrence

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:	2004

SOURCE OF FUNDS: N / A

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

Rhonda King

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

Prev. Agn. Ref.: | **District:** 1 | **Agenda Number:**

**ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD**

8.2