

**SUBMITTAL TO THE BOARD OF DIRECTORS
REDEVELOPMENT AGENCY FOR THE
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

460



FROM: Redevelopment Agency

SUBMITTAL DATE:
March 8, 2005

SUBJECT: Inducement Agreement between Community Facilities District No. 87-1, the County of Riverside, the Redevelopment Agency for the County of Riverside, and SCSGF Kearny Nuevo, LLC.

RECOMMENDED MOTION: That the Board of Supervisors approve and authorize the Chairman to execute the attached Inducement Agreement between Community Facilities District No. 87-1, the County of Riverside, the Redevelopment Agency for the County of Riverside, and, SCSGF Kearny Nuevo, LLC.

BACKGROUND: Community Facilities District No. 87-1 (South "A" Street) (the "District") is a largely undeveloped industrial park for which Community Facilities District Bonds have been issued. The District has experienced delinquencies in the payment of special taxes that has caused the District to use reserve funds to meet debt service obligations to the bondholders. Staff believes that the attached Inducement Agreement, which induces payment of the delinquent ad valorem and 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 the parcels, Fast Track processing by the Agency, and credit towards the District's special tax from the Agency through an existing Owner Participation Agreement. The Agreement has been approved as to form by County Counsel.

Departmental Concurrence

Bradley J. Hudson

Bradley J. Hudson
Assistant County Executive Officer/EDA

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:	2005

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 *Debra Coumeyer*

Dept't Recomm.: Consent Policy
Per Exec. Ofc.: Consent Policy

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

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

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COUNTY OF RIVERSIDE
02 MAR -1 PM 3:23
OFFICE EXECUTIVE