

460

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



FROM: Executive Office

SUBMITTAL DATE:
June 16, 2006

SUBJECT: Participation in the Statewide Community Infrastructure Program

RECOMMENDED MOTION: (1) That Resolution #2006-265 authorizing the County to join the Statewide Community Infrastructure Program and authorizing the California Statewide Communities Development Authority to accept application from property owners, conduct special assessment proceedings and levy assessments within the territory of the County of Riverside and authorizing related actions be approved, and (2) direct the Executive Office to return with Fee Collection and Disbursement Agreements ("Agreements") and revisions to Board Policy B-12 (Land Secured Financing Districts) upon WRCOG and RCTC's approval of the Agreements.

BACKGROUND: Board item 3.100, on August 23, 2005, directed the Executive Office, in cooperation with the development community, to evaluate the feasibility of a county development fee financing program. The purpose of the evaluation was to identify a method to finance development fees that would provide funding for infrastructure, especially transportation, in advance of the growing demand on infrastructure as a result of the tremendous growth in the county.

(Continued)

Dean Deines
Deputy County Executive Officer

FINANCIAL DATA	Current F.Y. Total Cost:	\$ N/A	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$ N/A	Budget Adjustment:	N/A
	Annual Net County Cost:	\$ N/A	For Fiscal Year:	N/A

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

- Policy
- Policy
- Consent
- Consent

Dept's Recomm.:
Per Exec. Ofc.:

RECEIVED RIVERSIDE COUNTY
MAY 11 2006

Prev. Agn. Ref.: 3.100 of 8/23/05 | **District:** | **Agenda Number:**

3.5

FORM APPROVED
COUNTY COUNSEL

JUN 20 2006

Departmental Concurrence

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The County has already begun forming Community Facilities Districts ("CFD") that are in within Critical Transportation Corridor Improvement Program ("CTCIP"), such as Newport Road, Scott Road and Clinton Keith Road. The County is also developing the Lakeview/Nuevo Area Implementation Program which is anticipated to include fee credits and forming CFDs. As part of the evaluation, it was necessary to identify a program that would compliment these two tools. After evaluating several options, county staff identified and is recommending participation in the Statewide Community Infrastructure Program ("SCIP"). Further, it is being recommended that development in unincorporated portions of the county not located in a CTCIP or the Lakeview/Nuevo Area Implementation Program boundaries be allowed to finance their Transportation Uniform Mitigation Fees ("TUMF") through SCIP.

SCIP was instituted by California Statewide Communities Development Authority ("CSCDA") in 2002 to allow property owners in participating cities and counties to finance the development impact fees that would be payable by property owners upon receiving development entitlements or building permits. If a property owner chooses to participate, the development impact fees owed to the County of Riverside will be financed by the issuance of tax-exempt bonds by CSCDA. CSCDA will impose a special assessment on the owner's property to repay the portion of the bonds issued to finance the fees paid with respect to the property. The development impact fees will be paid from the proceeds of the SCIP bonds. In this way, the County is never at risk for the receipt of the impact fees.

Because the County collects TUMF on behalf of WRCOG, which in turn provides a percentage to RCTC, it is necessary for WRCOG and RCTC to approve the program. As such, a formal request was made to both agencies to approve SCIP in-concept. RCTC gave their in-concept approval on March 8, 2006 and WRCOG on June 12, 2006.

County staff working with SCIP, WRCOG and RCTC staff has developed a county SCIP program that meets the County's land secured standards (Board Policy B-12), and WRCOG and RCTC requirements, which include:

- WRCOG and RCTC will review each application and will have the opportunity to decline applications if they cannot reasonably expect to spend bond proceeds received from SCIP within 3 years.
- County's policy of overlapping debt not to exceed 2% will be maintained.
- Development adjacent to a TUMF facility bordering city limits will not be allowed to participate in SCIP.
- If TUMF increases after bonds are issued, and before developer files certificate of occupancy, then developer will be responsible to pay the difference (increase) in cash.
- The 1% to 3% administrative portion will either be financed or paid in cash be developer (final determination will be made by Bond Counsel).

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- Bond proceeds will be identified and deposited with a trustee based on agency and zone requirements. Access to these funds will be limited to authorized WRCOG and RCTC staff.
- Bond proceeds can only be spent on those facilities (projects) that are identified at time bonds are issued, in this case TIP/TUMF projects. Therefore, proceeds cannot be used on non-TIP/TUMF projects.

With the approval of resolution 2006-265, it will be necessary to enter into a Fee Collection and Disbursement Agreement with WRCOG, RCTC and CSCDA. County staff has been working with WRCOG and RCTC staff on the agreements and will seek their approval of the agreements at the earliest date possible. Once WRCOG and RCTC approves the agreements, staff will return to the Board for approval of the agreements along with necessary revisions to Board Policy B-12 (Land Secured Financing Districts), after which the County will begin accepting applications.

The proposed resolution authorizes CSCDA to accept applications from property owners within the County's planning jurisdiction to apply for tax-exempt financing of development impact fees through SCIP. It also authorizes CSCDA to form an assessment district covering the County's planning jurisdiction, conduct assessment proceedings and levy assessments against the property of participating property owners. It also authorizes miscellaneous related actions and makes certain findings and determinations required by law.

Attached, for information purposes only, as Exhibit A, is a "Form of CSCDA Resolution of Intention."

RESOLUTION NO. 2006-265

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE
AUTHORIZING THE COUNTY TO JOIN THE STATEWIDE COMMUNITY INFRASTRUCTURE
PROGRAM AND AUTHORIZING THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT
AUTHORITY TO ACCEPT APPLICATIONS FROM PROPERTY OWNERS, CONDUCT SPECIAL
ASSESSMENT PROCEEDINGS AND LEVY ASSESSMENTS WITHIN THE TERRITORY OF THE
COUNTY OF RIVERSIDE AND AUTHORIZING RELATED ACTIONS**

WHEREAS, the California Statewide Communities Development Authority (the "Authority") is a joint exercise of powers authority the members of which include numerous cities and counties in the State of California, including the County of Riverside (the "County"); and

WHEREAS, the Authority has established the Statewide Community Infrastructure Program ("SCIP") to allow the financing of certain development impact fees (the "Fees") levied in accordance with the Mitigation Fee Act (California Government Code Sections 66000 and following) and other authority providing for the levy of fees on new development to pay for public capital improvements (collectively, the "Fee Act") through the levy of special assessments pursuant to the Municipal Improvement Act of 1913 (Streets and Highways Code Sections 10000 and following) (the "1913 Act") and the issuance of improvement bonds (the "Local Obligations") under the Improvement Bond Act of 1915 (Streets and Highways Code Sections 8500 and following) (the "1915 Act") upon the security of the unpaid special assessments; and

WHEREAS, the County desires to allow the owners of property being developed within its jurisdiction to participate in SCIP and to allow the Authority to conduct assessment proceedings under the 1913 Act and issue Local Obligations under the 1915 Act to finance Fees levied on such properties, provided that such property owners voluntarily agree to participate and consent to the levy of such assessments; and

1 WHEREAS, in each year in which eligible property owners within the jurisdiction of the County
2 elect to participate in SCIP, the Authority will conduct assessment proceedings under the 1913 Act and
3 issue Local Obligations under the 1915 Act to finance Fees payable by such property owners and, at
4 the conclusion of such proceedings, will levy special assessments on such property within the territory
5 of the County;

6 WHEREAS, there has been presented to this meeting a proposed form of Resolution of
7 Intention to be adopted by the Authority in connection with such assessment proceedings, a copy of
8 which is attached hereto as Exhibit A (the "ROI") and the territory within which assessments may be
9 levied for SCIP (provided that the owner of any property subject to assessment consents to such
10 assessment) shall be coterminous with the County's official boundaries of record at the time of adoption
11 of each such ROI (the "Proposed Boundaries"), and reference is hereby made to such boundaries for
12 the plat or map required to be included in this Resolution pursuant to Section 10104 of the Streets and
13 Highways Code; and

14 WHEREAS, the County will not be responsible for the conduct of any assessment proceedings;
15 the levy or collection of assessments or any required remedial action in the case of delinquencies in
16 such assessment payments; or the issuance, sale or administration of the Local Obligations or any
17 other bonds issued in connection with SCIP; and

18 WHEREAS, pursuant to Government Code Section 6586.5, notice was published at least five
19 days prior to the adoption of this resolution at a public hearing, which was duly conducted by this Board
20 concerning the significant public benefits of SCIP and the financing of the public capital improvements
21 to be paid for with the proceeds of the Fees;

22 NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Riverside
23 as follows:

1 Section 1. The County hereby consents to the conduct of special assessment proceedings by
2 the Authority in connection with SCIP pursuant to the 1913 Act and the issuance of Local Obligations
3 under the 1915 Act on any property within the Proposed Boundaries; provided, that

4 (1) Such proceedings are conducted pursuant to one or more Resolutions of Intention in
5 substantially the form of the ROI; and

6 (2) The legal owner(s) of such property execute a written consent to the levy of assessment in
7 connection with SCIP by the Authority and execute an assessment ballot in favor of such assessment
8 in compliance with the requirements of Section 4 of Article XIID of the State Constitution.

9 Section 2. The County hereby finds and declares that the issuance of bonds by the Authority in
10 connection with SCIP will provide significant public benefits, including without limitation, savings in
11 effective interest rate, bond preparation, bond underwriting and bond issuance costs and the more
12 efficient delivery of local agency services to residential and commercial development within the County.

13 Section 3. The Authority has prepared and will update from time to time the "SCIP Manual of
14 Procedures" (the "Manual"), and the County will handle Fee revenues for properties participating in
15 SCIP in accordance with the procedures set forth in the Manual.

16 Section 4. The appropriate officials and staff of the County are hereby authorized and directed
17 to make SCIP applications available to all property owners who are subject to Fees for new
18 development within the County and to inform such owners of their option to participate in SCIP;
19 provided, that the Authority shall be responsible for providing such applications and related materials at
20 its own expense. The staff persons listed on the attached Exhibit B, and any other staff persons chosen
21 by the County Executive Office from time to time, are hereby designated as the contact persons for the
22 Authority in connection with the SCIP program.

23 Section 5. The appropriate officials and staff of the County are hereby authorized and directed
24 to execute and deliver such closing certificates, requisitions, agreements and related documents,
25 including but not limited to such documents as may required by Bond Counsel in connection with the
26 participation in SCIP of any districts, authorities or other third-party entities entitled to levy and collect

1 fees on new development to pay for public capital improvements within the jurisdiction of the County, as
2 are reasonably required by the Authority in accordance with the Manual to implement SCIP for property
3 owners who elect to participate in SCIP and to evidence compliance with the requirements of federal
4 and state law in connection with the issuance by the Authority of the Local Obligation and any other
5 bonds for SCIP. To that end, and pursuant to Treasury Regulations Section 1.150-2, the staff persons
6 listed on Exhibit B, or other staff person acting in the same capacity for the County with respect to
7 SCIP, are hereby authorized and designated to declare the official intent of the County with respect to
8 the public capital improvements to be paid or reimbursed through participation in SCIP.

9 Section 6. This Resolution shall take effect immediately upon its adoption. The Clerk of the
10 Board of Supervisors is hereby authorized and directed to transmit a certified copy of this resolution to
11 the Secretary of the Authority.

12
13 PASSED AND ADOPTED this ____ day of _____, 2006 by the following vote, to wit:

14
15 AYES: Board Members _____

16
17 NOES: Board Members _____

18
19 ABSENT: Board Members _____

20
21 ABSTAIN: Board Members _____

22
23
24 FORM APPROVED
COUNTY COUNSEL

25 JUN 20 2006
26 BY W. A. [Signature]

EXHIBIT A

FORM OF RESOLUTION OF INTENTION
TO BE ADOPTED BY CSCDA

RESOLUTION OF INTENTION OF THE CALIFORNIA STATEWIDE COMMUNITIES DEVELOPMENT AUTHORITY TO FINANCE THE PAYMENT OF DEVELOPMENT IMPACT FEES FOR PUBLIC IMPROVEMENTS IN THE PROPOSED ASSESSMENT DISTRICT NO. _____ (COUNTY OF RIVERSIDE, CALIFORNIA), APPROVING A PROPOSED BOUNDARY MAP, MAKING CERTAIN DECLARATIONS, FINDINGS AND DETERMINATIONS CONCERNING RELATED MATTERS, AND AUTHORIZING RELATED ACTIONS IN CONNECTION THEREWITH

WHEREAS, under the authority of the Municipal Improvement Act of 1913 (the "1913 Act"), being Division 12 (commencing with Sections 10000 and following) of the California Streets and Highways Code, the Commission (the "Commission") of the California Statewide Communities Development Authority (the "Authority") intends to finance, through its Statewide Community Infrastructure Program, the payment of certain development impact fees for public improvements as described in Exhibit A attached hereto and by this reference incorporated herein (the "Improvement Fees"), all of which are of benefit to the proposed Assessment District No. _____ (County of Riverside, California) (the "Assessment District"); and

WHEREAS, the Commission finds that the land specially benefited by the Improvement Fees is shown within the boundaries of the map entitled "Proposed Boundaries of Assessment District No. _____ (County of Riverside, California)," a copy of which map is on file with the Secretary and presented to this Commission meeting, and determines that the land within the exterior boundaries shown on the map shall be designated "Assessment District No. _____ (County of Riverside, California)";

NOW, THEREFORE, BE IT RESOLVED that the Commission of the California Statewide Communities Development Authority hereby finds, determines and resolves as follows:

1. The above recitals are true and correct, and the Commission so finds and determines.
2. Pursuant to Section 2961 of the Special Assessment Investigation, Limitation and Majority Protest Act of 1931 (the "1931 Act"), being Division 4 (commencing with Section 2800) of the California Streets and Highways Code, the Commission hereby declares its intent to comply with the requirements of the 1931 Act by complying with Part 7.5 thereof.
3. The Commission has or will designate a registered, professional engineer as Engineer of Work for this project, and hereby directs said firm to prepare the report containing the matters required by Sections 2961(b) and 10204 of the Streets and Highways Code, as supplemented by Section 4 of Article XIID of the California Constitution.
4. The proposed boundary map of the Assessment District is hereby approved and adopted. Pursuant to Section 3111 of the California Streets and Highways Code, the Secretary of

the Authority is directed to file a copy of the map in the office of the County Recorder of the County of Riverside within fifteen (15) days of the adoption of this resolution.

5. The Commission determines that the cost of the Improvement Fees shall be specially assessed against the lots, pieces or parcels of land within the Assessment District benefiting from the payment of the Improvement Fees. The Commission intends to levy a special assessment upon such lots, pieces or parcels in accordance with the special benefit to be received by each such lot, piece or parcel of land, respectively, from the payment of the Improvement Fees.

6. The Commission intends, pursuant to subparagraph (f) of Section 10204 of the California Streets and Highways Code, to provide for an annual assessment upon each of the parcels of land in the proposed assessment district to pay various costs and expenses incurred from time to time by the Authority and not otherwise reimbursed to the Authority which result from the administration and collection of assessment installments or from the administration or registration of the improvement bonds and the various funds and accounts pertaining thereto.

7. Bonds representing unpaid assessments, and bearing interest at a rate not to exceed twelve percent (12%) per annum, will be issued in the manner provided by the Improvement Bond Act of 1915 (Division 10, Streets and Highways Code), and the last installment of the bonds shall mature not to exceed thirty (30) years from the second day of September next succeeding twelve (12) months from their date.

8. The procedure for the collection of assessments and advance retirement of bonds under the Improvement Bond Act of 1915 shall be as provided in Part 11.1, Division 10, of the Streets and Highways Code of the State of California.

9. Neither the Authority nor any member agency thereof will obligate itself to advance available funds from its or their own funds or otherwise to cure any deficiency which may occur in the bond redemption fund. A determination not to obligate itself shall not prevent the Authority or any such member agency from, in its sole discretion, so advancing funds.

10. The amount of any surplus remaining in the improvement fund after completion of the improvements and payment of all claims shall be distributed in accordance with the provisions of Section 10427.1 of the Streets and Highways Code.

11. To the extent any Improvement Fees are paid to the Authority in cash with respect to property within the proposed Assessment District prior to the date of issuance of the bonds, the amounts so paid shall be reimbursed from the proceeds of the bonds to the property owner or developer that made the payment.

[End of Form of Resolution of Intention]

EXHIBIT B

COUNTY OF RIVERSIDE CONTACTS FOR SCIP PROGRAM

Primary Contact

Name: Dean Deines

Title: Deputy County Executive Officer

Mailing Address: 4080 Lemon Street, 4th Floor
Riverside, CA 92501

Delivery Address (if different):

E-mail: ddeines@rceo.org

Telephone: (951) 955-1110

Fax: (951) 955-1105

Secondary Contact

Name: Stephanie Persi

Title: Staff Analyst

Mailing Address: 4080 Lemon Street, 4th Floor
Riverside, CA 92501

Delivery Address (if different):

E-mail: spersi@reco.org

Telephone: (951) 955-1110

Fax: (951) 955-1105

Additional Contact

Name: Jerry Norris

Title: Principal Management Analyst

Mailing Address: 4080 Lemon Street, 4th Floor
Riverside, CA 92501

Delivery Address (if different):

E-mail: jdnorris@reco.org

Telephone: (951) 955-1110

Fax: (951) 955-1105

CERTIFICATION OF RESOLUTION

I, the undersigned, the duly appointed and qualified Clerk of the Board of Supervisors of the County of Riverside, do hereby certify that the foregoing Resolution No. 2006-265 was duly adopted at a regular meeting of the Board of Supervisors of the County of Riverside duly and regularly held at the regular meeting place thereof on the 27th day of June, 2006, of which meeting all of the members of said Board of Supervisors had due notice and at which a majority thereof were present.

An agenda of said meeting was posted at least 72 hours before said meeting at 4080 Lemon Street, Riverside, California 92501, a location freely accessible to members of the public, and a brief description of said resolution appeared on said agenda.

I have carefully compared the foregoing with the original minutes of said meeting on file and of record in my office, and the foregoing is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes.

Said resolution has not been amended, modified or rescinded since the date of its adoption and the same is now in full force and effect.

Dated: _____, 2006

Nancy Romero
Clerk of the Board of Supervisors
County of Riverside

By: _____

[Seal]