

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

147



FROM: Executive Office/Transportation

SUBMITTAL DATE:
June 5, 2014

SUBJECT: Introduction of Riverside County Ordinance No. 923 to Dissolve Community Facilities District No. 07-1 (Newport/I-215 Interchange) and Ordinance No. 879 to repeal the Special Tax Ordinance. District 5/District 5; [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Introduce and at the next succeeding meeting adopt Riverside County Ordinance No. 923 to dissolve Community Facilities District No. 07-1 (Newport/I-215 interchange); and
2. Introduce and at the next succeeding meeting adopt Riverside County Ordinance No. 879 repealing the Special Tax Ordinance; and
3. Find that the adoption of Ordinance No. 923 and No. 879 are exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) in that it can be seen with certainty there is no possibility the ordinance may have a significant effect on the environment and direct the Clerk of the Board to file the Notice of Exemption with the County Clerk for posting.

BACKGROUND:

Summary

On May 20, 2014 the Board of Supervisors adopted an order to initiate an ordinance to dissolve Community Facilities District No. 07-1 (Newport/I-215 Interchange) and repeal Special Tax Ordinance No. 879.

Juan C. Perez, Director of
Transportation Land Management

Stephanie Persi
Senior Management Analyst

(Continued on pg. 2)

FORM APPROVED COUNTY COUNSEL
BY: DALE A. GARDNER DATE: 6/5/14

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 0	\$ 0	\$ 0	Consent <input type="checkbox"/> Policy X
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	
SOURCE OF FUNDS: N/A				Budget Adjustment: No	
				For Fiscal Year: 2013-14	

C.E.O. RECOMMENDATION:

APPROVE

BY:
Ivan M. Chand 6/9/2014

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

- A-30
- Positions Added
- 4/5 Vote
- Change Order

BACKGROUND:
Summary (continued)

On September 30, 2008, the Board of Supervisors adopted Ordinance No. 879 authorizing the levy of special taxes within Improvement Area 2 of Community Facilities District 07-1 Newport/I-215 Interchange (CFD 07-1) pursuant to the rate and method of apportionment of special tax approved by the Board and the qualified electors. The CFD was formed as a requirement of the Cooperative Agreement between the City of Temecula and the County of Riverside to Mitigate Traffic Impacts in Western Riverside County, entered into between the parties on April 12, 2005, which resulted from the settlement of litigation.

The agreement required that the County establish an I-215 Policy Area covering a wide expanse of then unincorporated land, essentially from the City of Canyon Lake easterly to Hemet, and from Winchester south to Temecula, and require that certain CFD's would be established which new residential development would be required participate in. One such CFD was to provide funding for the expansion of the Newport Road/I-215 interchange. The CFD's were envisioned to sell bonds to fund the building of the infrastructure prior to or as development occurred, in order to minimize the lag between development and the needed traffic improvements directly funded by that development through mitigation fee payment.

At the time that the agreement was entered into, the County was experiencing tremendous development growth, and it was anticipated that we would be able to sell bonds supported by a tax levy on land with approved new residential development projects that were entitled but not yet constructed. Credits would be issued against Transportation Uniform Mitigation Fees (TUMF) and the Menifee Valley Road and Bridge Benefit District fees (RBBB) for those developments that contributed to the special tax levy. That ability to sell bonds, supported by taxes levied on proposed but unbuilt units, became a casualty of the economic downturn, which made it extremely difficult, if not impossible, to market such bonds. Even today, with an improving economy, it remains difficult to sell bonds against undeveloped land.

In October 2008, the City of Menifee incorporated, including in its boundaries a majority of the CFD 07-1 boundaries. The City and the County have worked together to secure the needed funding to build the Newport/I-215 interchange, which is anticipated to start construction in early 2015. The City has bonded against future transportation revenues for about half of the needed funding, with the remaining funding coming from regional funds provided by the TUMF program administered by the Western Riverside Council of Governments (WRCOG) and other regional funding from the Riverside County Transportation Commission (RCTC). The City, in cooperation with the County, now wishes to dissolve the district since the interchange is being funded more expeditiously through other means.

Approval of the ordinance will release the special tax lien on the one developed tract and will release the condition for all remaining undeveloped tracts within the CFD 07-1 boundaries. As development occurs that would otherwise have been part of this CFD, they will be required to pay the full TUMF and RBBB fees at time of development, and not receive credits towards them for the interchange improvements.

Impact on Citizens and Businesses

The Newport/I-215 Interchange construction funding is being significantly accelerated by working cooperatively with the City, WRCOG, and RCTC to identify full funding now, rather than waiting for the right economic conditions to sell bonds. New development that was required to participate in CFD 07-1 will now be free of this assessment, and will pay mitigation fees as they develop instead.

**SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Ordinance No. 923 to Dissolve Community Facilities District No. 07-1 (Newport/I-215
Interchange) and Ordinance No. 879 to repeal the Special Tax Ordinance. District 5/District 5; [\$0]
DATE: June 5, 2014
PAGE: 3 of 3**

SUPPLEMENTAL:

Additional Fiscal Information

The levy of the special tax commenced in fiscal year 2009-10 and in each fiscal year thereafter in anticipation of a bond sale. To date the district has levied taxes on one developed tract. Development slowed after the formation of the district resulting in few dollars collected for the project. The special taxes collected to date will be used to offset the project costs.

1 ORDINANCE NO. 923

2
3 AN ORDINANCE OF THE COUNTY OF RIVERSIDE DISSOLVING
4 COMMUNITY FACILITIES DISTRICT NO. 07-1 (NEWPORT/I-215
5 INTERCHANGE) OF THE COUNTY OF RIVERSIDE
6

7 The Board of Supervisors of the County of Riverside ordains as follows:

8 Section 1. FINDINGS. The Board of Supervisors finds that Community Facilities
9 District No. 07-1 (Newport/I-215 Interchange) of the County of Riverside is not obligated to pay any
10 outstanding debt; and that this Community Facilities District has no authorization to levy any special tax.

11 Section 2. PURPOSE. The purpose of this ordinance is to dissolve Community
12 Facilities District No. 07-1 (Newport/I-215 Interchange) of the County of Riverside.

13 Section 3. AUTHORITY. This ordinance is adopted pursuant to California
14 Government Code Section 53338.5 which authorizes the legislative body of a community facilities district
15 to dissolve the community facilities district by ordinance.

16 Section 4. DISSOLUTION OF DISTRICT. Community Facilities District No. 07-1
17 (Newport/I-215 Interchange) of the County of Riverside is dissolved. An addendum shall be recorded to
18 the Notice of Special Tax Lien recorded pursuant to Section 3114.5 of the Streets and Highways Code
19 which shall state that the Community Facilities District and all associated liens, if any, have been
20 dissolved.

21 Section 5. SEVERABILITY. If any provision, clause, sentence or paragraph of this
22 ordinance or the application thereof to any person or circumstances shall be held invalid, such invalidity
23 shall not affect the other provisions of this ordinance which can be given effect without the invalid
24 provision or application, and to this end, the provisions of this ordinance are hereby declared to be
25 severable.

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FORM APPROVED COUNTY COUNSEL
DATE 6/15/14
DALE A. GARDNER

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Section 6. EFFECTIVE DATE. This ordinance shall take effect thirty (30) days after its adoption.

BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

By: _____
Chairman

ATTEST:

CLERK OF THE BOARD:

By: _____
Deputy

(SEAL)

1 ORDINANCE NO. 879.1

2
3 AN ORDINANCE OF THE COUNTY OF RIVERSIDE REPEALING
4 ORDINANCE NO. 879 AUTHORIZING THE LEVY OF SPECIAL TAXES IN
5 IMPROVEMENT AREA NO. 2 OF COMMUNITY FACILITIES DISTRICT NO. 07-1
6 (NEWPORT/I-215 INTERCHANGE) OF THE COUNTY OF RIVERSIDE

7
8 The Board of Supervisors of the County of Riverside ordains as follows:

9 Section 1. Ordinance No. 879 is repealed in its entirety.

10 Section 2. This ordinance shall take effect thirty (30) days after its adoption.

11 BOARD OF SUPERVISORS OF THE COUNTY
12 OF RIVERSIDE, STATE OF CALIFORNIA

13 By: _____
14 Chairman

14 ATTEST:

15 CLERK OF THE BOARD:

16
17 By: _____
18 Deputy

19
20 (SEAL)

APPROVED COUNTY COUNSEL
DATE 6/15/14
ALISA GARDNER

27 DAG:ay

5/21/2014

28 G:\ORDINANCE\879\Ord_879.1.doc



COUNTY OF RIVERSIDE TRANSPORTATION AND LAND MANAGEMENT AGENCY



Juan C. Perez, P.E., T.E.
Director of Transportation

Transportation Department NOTICE OF EXEMPTION

May 28, 2014

PROJECT TITLE: Dissolution of CFD No. 07-1 & Repeal Ordinance No. 879
Work Order #ZB50682, Task Code #Z1530

PROJECT SPONSOR: Riverside County Transportation Department

PROJECT LOCATION: Western Riverside County, City of Menifee

SUPERVISORIAL DISTRICT: Fifth

PROJECT DESCRIPTION: The Riverside County Transportation Land Management Agency (TLMA) and the Riverside County Executive Office proposes Ordinance No. 923 to dissolve Community Facilities District (CFD) No. 07-01 (Newport/I-215 Interchange) of the County of Riverside and repeal Special Tax Ordinance No. 879 authorizing the levy of special taxes in Improvement Area No. 2 within Community Facilities District No. 07-1 (Newport/I-215 Interchange).

The Riverside County Transportation Department Staff conducted a review of the above referenced project and has determined that the proposals qualify for a Categorical Exemption per the California Environmental Quality Act (CEQA) Guidelines and the Riverside County Rules to Implement CEQA.

The Riverside County Transportation Department has found that the above-described project is exempt from the provisions of the California Environmental Quality Act (CEQA), based on the following:

California Environmental Quality Act Guidelines, Section 15601 (b)(3)

By: Andrew Huneck, Senior Transportation Planner

Signed: Russell Williams
Russell Williams, Environmental Division Manager

PROPOSED BOUNDARY MAP

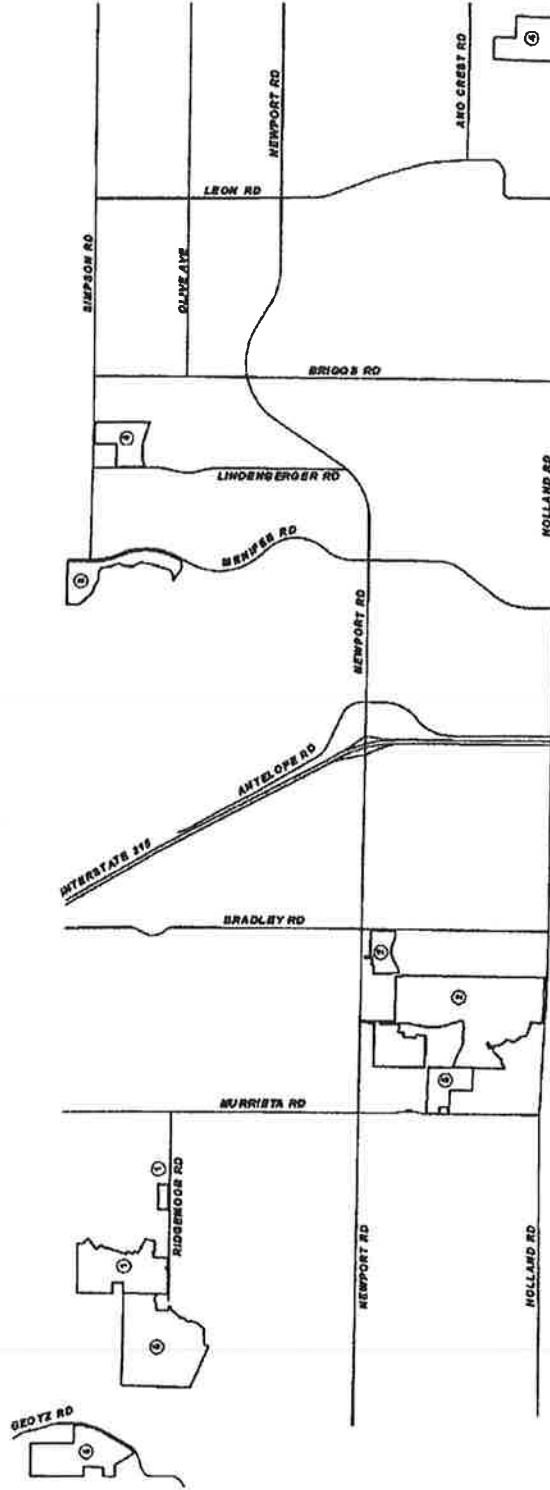
COMMUNITY FACILITIES DISTRICT NO. 07-1 (NEWPORT / I-215 INTERCHANGE)

OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

IMPROVEMENT AREA NO. 2

TAX_ZONE_INDEX_MAP

LEGEND
 — DISTRICT BOUNDARY
 ⊗ TAX_ZONE_NUMBER



ALBERT WEBB
 CIVIL ENGINEER
 1000 N. GATEWAY
 RIVERSIDE, CALIFORNIA 92507

NOT TO SCALE

W.C. 06-0187