

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

925



FROM: Executive Office

SUBMITTAL DATE:
November 24, 2015

SUBJECT: Temporary Transfer of Development Impact Fee (DIF) Funds for Riverside County Fire Department Headquarters, [District 5], [\$4,590,000], [DIF Operations Fund-Western Riverside County Fire Facilities Fund]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Adopt Resolution 2015-249 authorizing and approving a temporary transfer of DIF funds from the DIF Operations Fund-Western Riverside County Fire Facility Fund 30505 to the County Capital Improvement Fund for the acquisition and tenant improvements costs of property located in the City of Perris, for the purpose of relocating the Riverside County Fire Department (RCFD) Administration Division;
2. Direct the Auditor-Controller to establish Capital Improvement Fund 30705; and,
3. Authorize the Executive Office to temporarily transfer \$4.5 million from the Western Riverside County Fire Facility Fund 30505 as required for relocation of Fire Headquarters into the County's Capital Improvement Fund 30705.

BACKGROUND:

Summary

(commences on page 2)

Rohini Dasika

Rohini Dasika
Senior Management Analyst

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 4,590,000	\$	\$ 4,590,000	\$	Consent <input type="checkbox"/> Policy x
NET COUNTY COST	\$	\$	\$	\$	

SOURCE OF FUNDS: DIF Operations Fund-Western Riverside County Fire Facilities Fund (30505) Reimbursement by departmental budget/general fund

Budget Adjustment: No

For Fiscal Year: 2015/16-2031/32

C.E.O. RECOMMENDATION:

APPROVE

REVIEWED BY CIP

Ivan M. Chand

BY:

Debra Cournoyer

County Executive Office Signature *Ivan M. Chand* 12/1/2015

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Jeffries, seconded by Supervisor Ashley and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Washington, Benoit and Ashley
 Nays: None
 Absent: None
 Date: December 8, 2015
 xc: EO, Auditor

Kecia Harper-Ihem
Clerk of the Board
By: *Kecia Harper-Ihem*
Deputy

FISCAL PROCEDURES APPROVED
 PAUL ANGLILO, CPA, AUDITOR-CONTROLLER
 BY: *Susana Garcia-Bocanegra* 11/24/15
 Susana Garcia-Bocanegra
 Departmental Concurrence
 FORM APPROVED COUNTY COUNSEL
 BY: *GREGORY P. PRIAMOS* 11/19/15
 GREGORY P. PRIAMOS
 DATE
 John Hawkins, Fire Chief
 Riverside County Fire
 By: *[Signature]*
 Positions Added ☐ A-30 ☐ 4/5 Vote
 Change Order ☐

BACKGROUND:

Summary (continued)

The RCFD has identified a need to relocate the Administration Division (Division) from the current office space at Fire Headquarters in the City of Perris.

The Division currently occupies approximately 8,800 square feet of office space, and has identified the need for a minimum of 12,000 square feet of space to accommodate the employees of the Finance, Contracts, Human Resources and Communications/IT groups. RCFD currently utilizes temporary trailers for office space, since the facility does not have the ability for expansion.

RCFD has identified a two building complex that contains approximately 16,000 square feet of office space on a 7.12 acre site in the City of Perris, that can serve as Fire Headquarters. The acquisition and improvement of this facility will provide enough space for current staff, as well as allow room for expansion and the accommodation of customers. Acquisition and tenant improvement costs for the facility are anticipated to total \$4.5 million.

The Capital Improvement Plan (CIP) Update (Update) was received and filed by the Board of Supervisors on October 20, 2105, Agenda Item 2-2. A fire headquarters is listed as a project on the unfunded list of future CIP projects on the Update.

California case law (*Auerbach v. Board of Supervisors of County of Los Angeles*, 71 Cal. App. 4th 1427 (1999)) establishes the right of counties to temporarily transfer and loan money between funds until said moneys are needed to be spent for their original intended purpose. Resolution No. 2015-249 authorizes and approves the temporary transfer of \$4.5 million of development impact fee funds to the County Capital Improvement fund for the purpose of establishing a new fire headquarters in Perris.

The temporary transfer will come from the Development Impact Fees (DIF) Operations Fund-Western Riverside County Fire Facilities Fund (30505). RCFD will repay the \$4.5 million in annual payments of \$300,000, plus two percent (2%) interest, over fifteen (15) years, which is before the money will be needed to be spent for its original intended purpose. The Auditor-Controller will establish fund 30705, and the Executive Office will temporarily transfer the \$4.5 million into the fund as required.

RCFD has expressed an immediate need for a Fire Headquarters Administrative Building to accommodate current staff and functions, and the relocation to the facility in Perris will be cost effective while remaining in the area necessary for operations. The current Fire Department Headquarters is at a CAL FIRE facility, and is over capacity with no room for expansion. County Fire Department staff is located in leased portable trailers.

The city of Perris is moving forward with plans to complete construction on San Jacinto Street that will open the section between C Street and A Street. When this project is complete, San Jacinto Street will run through the middle of the headquarters facility and eliminate staff parking areas and sidewalks, while also an unsafe traffic hazard for pedestrian traffic traveling between the main building and the automotive shop.

Impact on Citizens and Businesses

Residents and businesses will enjoy increased safety and improved services with the relocation of Fire Headquarters into the proposed facility in Perris.

SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Temporary Transfer of Development Impact Fee (DIF) Funds for Riverside County Fire Department
Headquarters, [District 5], [\$4,590,000], [DIF Operations Fund-Western Riverside County Fire Facilities Fund]
DATE: November 24, 2015
PAGE: 3 of 3

SUPPLEMENTAL:
Additional Fiscal Information

Fire will be using budgeted operating dollars to repay the temporary transfer from the DIF account. Fire has agreed to a fifteen year term for repayment, starting in FY 16/17, with an annual repayment amount of \$300,000, plus two percent (2%) interest. The new facility has a complete radio communications installation shop. Fire currently contracts with CA Office of Emergency Services Telecommunications Division for emergency radio/warning device repairs and installation. When the new facility is operational Fire will stop using OES and will handle these services in house, which will result in annual savings of \$300,000. Additionally, Fire will terminate the lease of all portable office trailers at the current headquarters for an annual savings of \$5,000.

2
3 RESOLUTION NO. 2015-249

4
5 A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE
6 AUTHORIZING AND APPROVING A TEMPORARY TRANSFER OF DEVELOPMENT IMPACT
7 FEE FUNDS TO THE COUNTY CAPITAL IMPROVEMENT FUND

8 WHEREAS, the Riverside County Executive Office brings an updated Capital
9 Improvement Plan (CIP) to the Board of Supervisors for information and approval of new items annually;
10 and

11 WHEREAS, on October 20, 2015, in accordance with agenda item 2-2 (Agenda Item), the
12 Board of Supervisors received and filed the CIP Update in lieu of approval of new items; and

13
14 WHEREAS, a new fire headquarters is listed on the Future CIP Projects – Unfunded list on
15 page 8 of the Agenda Item; and

16
17 WHEREAS, Riverside County Fire Department (RCFD) Administration currently occupies
18 approximately 8,800 square feet of office space at Fire Headquarters located in the City of Perris; and

19 WHEREAS, RCFD requires a minimum of 12,000 square feet of office space to
20 accommodate staff and internal customers; and

21
22 WHEREAS, RCFD has outgrown the current facility, it is over fifty years old and lacks
23 expansion space; and

24
25 WHEREAS, RCFD has identified a two building complex (Facility) containing
26 approximately 16,089 square feet of office space on a 7.12 acre site in the City of Perris to serve as Fire
27 Headquarters; and

28
WHEREAS, acquisition related costs for the Facility are estimated not to exceed One
Million, Six Hundred and Twelve Thousand, Four Hundred Dollars (\$1,612,400); and

APPROVED COUNTY COUNSEL
11/18/15
[Signature]

1 WHEREAS, the total budget for the acquisition, tenant improvements, and relocation of
2 RCFD is estimated not to exceed Four Million, Five Hundred Thousand Dollars (\$4,500,000); and

3 WHEREAS, California Government Code Section 25252 authorizes the Board of
4 Supervisors to establish and abolish those funds necessary for the proper transaction of the business of the
5 County and further provides that the Board of Supervisors may authorize the County Auditor to perform
6 this function; and
7

8 WHEREAS, California Government Code Sections 25252 authorize the Board of
9 Supervisors to make transfers from one fund to another as the public interest requires and further provides
10 that the Board may by resolution authorize the County Auditor to make such transfers from one fund to
11 another when the Board of Supervisors has authority over each fund; and
12

13 WHEREAS, the Board of Supervisors has authority over the Development Impact Fee
14 Operations Fund - Western Riverside County Fire Facilities Fund (30505) and the County Capital
15 Improvement Fund and the public interest requires a temporary transfer to be made from the Development
16 Impact Fee Operations Fund - Western Riverside County Fire Facilities Fund (30505) to the County
17 Capital Improvement Fund (30705) in the amount of Four Million, Five Hundred Thousand Dollars
18 (\$4,500,000); and
19

20 WHEREAS, California case law (*Auerbach v. Board of Supervisors of County of Los*
21 *Angeles*, 71 Cal. App. 4th 1427 (1999)) establishes the right of counties to temporarily transfer and loan
22 money between funds until said moneys are needed to be spent for their original, intended purpose; and
23

24 WHEREAS, the Four Million, Five Hundred Thousand Dollars (\$4,500,000) to be
25 transferred from Development Impact Fee Operations Fund - Western Riverside County Fire Facilities
26 Fund (30505) to the County Capital Improvement Fund (30705) is not intended to be spent for its original,
27 intended purpose for at least fifteen (15) years and the temporary transfer is to be repaid, with two percent
28 (2%) interest, to the Development Impact Fee Operations Fund - Western Riverside County Fire Facilities

1 Fund (30505) from the County Capital Improvement Fund (30705) before said Four Million, Five
2 Hundred Thousand Dollars (\$4,500,000) is needed to be spent for its original, intended purpose; and

3 NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of
4 Riverside assembled in regular session as follows:

5
6 1. The above recitals are true and correct.

7 2. The Auditor-Controller of the County is hereby directed to establish County Capital
8 Improvement Fund 30705.

9 3. The County Executive Office is hereby authorized and directed to make a temporary
10 transfer of Four Million, Five Hundred Thousand Dollars (\$4,500,000) from the Development Impact Fee
11 Operations Fund - Western Riverside County Fire Facilities Fund (30505) to the County Capital
12 Improvement Fund (30705). In addition, the County Executive Office is hereby authorized and directed to
13 make the necessary journal entries and to take such further acts as are necessary or convenient to effect the
14 temporary transfer and repayment as set-forth here-in.

15 4. The County Executive Office shall ensure that the entire amount of the temporary
16 transfer authorized by this resolution, including two percent (2%) interest, is repaid to the Development
17 Impact Fee Operations Fund - Western Riverside County Fire Facilities Fund (30505) by the County
18 Capital Improvement Fund no later than fifteen (15) years from the date of the transfer. The repayment
19 shall be made by RCFD in annual payments of Three Hundred Thousand Dollars (\$300,000), plus two
20 percent (2%) interest, per year. At the end of the fifteen (15) years, the repayment of any remaining,
21 unpaid balance and two percent (2%) interest, shall come from such other unencumbered County General
22 Fund monies as are lawfully available to make the repayment.

23 5. The Auditor/Controller of the County and any other County Officers are hereby
24 authorized to take such additional actions as are necessary or convenient to carry out the effect of this
25 resolution.

26 6. This resolution shall take effect from and after its date of adoption.

27
28 Passed and adopted by the Riverside County Board of Supervisors on this 8th day of
December, 2015.

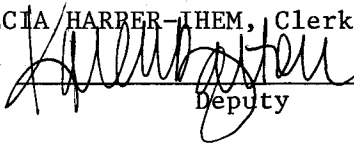
ROLL CALL:

Ayes: Jeffries, Tavaglione, Washington, Benoit and Ashley
Nays: None
Absent: None

The foregoing is certified to be a true copy of a resolution duly adopted by said Board of Supervisors on the date therein set forth.

KECIA HARRER-IHEM, Clerk of said Board

By


Deputy