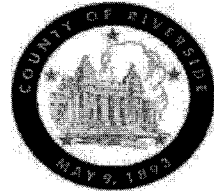


**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



ITEM
3.1
(ID # 2382)

MEETING DATE:

Tuesday, November 15, 2016

FROM : TRANSPORTATION LAND MANAGEMENT AGENCY AND EXECUTIVE OFFICE:

SUBJECT: EXECUTIVE OFFICE: Introduction of Riverside County Ordinance No. 933 to Dissolve Community Facilities District No. 05-1 (Salt Creek Bridges) and Ordinance No. 867 to repeal the Special Tax Ordinance with a waiver of the reading. District 3; [\$0]

ACTION: Policy

Continued on Page 2

Juan C. Perez
Juan C. Perez, Director of Transportation & Land Management 11/4/2016

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: N/A			Budget Adjustment:	No
			For Fiscal Year:	2016/17

C.E.O. RECOMMENDATION: APPROVE

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Ashley, seconded by Supervisor Jeffries and duly carried, IT WAS ORDERED that the above ordinance is approved as introduced with waiver of reading.

Ayes: Jeffries, Benoit and Ashley
Nays: None
Absent: Tavaglione and Washington
Date: November 15, 2016
xc: EO, TLMA, COB

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

3-1

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RECOMMENDED MOTION: That the Board of Supervisors:

1. Introduce and at the next succeeding meeting adopt and waive further reading of Riverside County Ordinance No. 933 to dissolve Community Facilities District No. 05-1 (Salt Creek Bridges); and
2. Introduce and at the next succeeding meeting adopt and waive further reading of Riverside County Ordinance No. 867 repealing the Special Tax Ordinance; and
3. Find that the adoption of Ordinance No. 933 and No. 867 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 ordinances 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 April 10, 2007, the Board of Supervisors adopted Ordinance No. 867 authorizing the levy of special taxes within Community Facilities District 05-1 Salt Creek Bridges (CFD 05-1) boundaries pursuant to the rate and method of apportionment of special tax approved by the Board and the qualified electors.

Salt Creek Bridges CFD 05-1 was formed to mitigate traffic impacts in the Winchester area and to accelerate the funding for the development and construction of the bridges crossing Salt Creek at two locations, one at Leon Road and the other at Rice Road, both just north of Newport Road (Domenigoni Parkway). This CFD was envisioned to sell bonds to fund these improvements prior to or as development occurred in this area, in order to minimize the lag between development and the needed improvements directly funded by developments through mitigation fee payments.

At the time that CFD 05-1 was formed, the County was experiencing tremendous development growth, and it was anticipated that CFD bonds could be sold 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 the Menifee Valley Road and Bridge Benefit District (RBBD) fees 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.

Salt Creek Bridges CFD 05-1 was originally intended to fund the bridges and approach roads crossing Salt Creek at Leon Road and Rice Road. Given the difficulties in trying to fund the CFD in today's market, the developers within CFD 05-1 requested to fund these improvements outside of the CFD. To accomplish this, the developers are willing to fund the project through mitigation fees instead. The County and the developers now wish to dissolve the CFD and

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

amend the Menifee Valley RBBB to include the costs for the Salt Creek Bridges that were to otherwise be funded by the CFD.

The Menifee Valley RBBB was established in May 1988 and subsequently amended several times over the years, with the last amendment occurring in July 2006. The Menifee Valley RBBB was formed to fund specific, regional road and bridge improvements determined to provide a benefit to the developing properties within portions of the Sun City/Menifee and Harvest Valley/Winchester areas of Riverside County. The Salt Creek Bridges are currently listed as needed facilities in the Menifee RBBB, but with a lesser cost contribution, as it was planned for the CFD to fund a majority of the Salt Creek Bridges. The County is now planning to amend the Menifee Valley RBBB and adjust the fee rates to include the full costs for the Salt Creek Bridges, contingent upon the dissolution of the CFD.

The following table represents a draft of the proposed new Menifee Valley RBBB fee structure. The amendment to this RBBB will go through a separate review and approval process and this proposed RBBB fee structure is subject to change. The target to amend this RBBB is early 2017.

Type	Zone E1	Zone E2	Zone E3	Zone E4
Residential (per du)	\$4,656	\$4,016	\$4,656	\$4,016
Commercial, Office Commercial, Industrial (per acre)	\$5,497	\$5,497	\$5,497	\$5,497

Approval of the ordinance will release the special tax lien on one developed tract and will release the condition for all remaining undeveloped tracts within the CFD 05-1 boundaries. As development occurs that would otherwise have been part of this CFD, they will now be required to pay the full RBBB fees at time of development, and not receive credits towards them for the Salt Creek Bridges improvements. This approach will still require development to pay its own way more efficiently than selling the CFD bonds.

Impact on Citizens and Businesses

New development in the Winchester area that were required to participate in CFD 05-1 will now be free of this assessment, and will pay mitigation fees as they develop, rather than waiting for the right economic conditions to sell CFD bonds. This will help new development to move forward on a "pay as you go" approach.

SUPPLEMENTAL:

Additional Fiscal Information

No taxes were levied for this district.

Prev. Agn. Ref.: 3-4, 4/10/07; 9/27/16

1 ORDINANCE NO. 933

2
3 AN ORDINANCE OF THE COUNTY OF RIVERSIDE DISSOLVING
4 COMMUNITY FACILITIES DISTRICT NO. 05-1 (SALT CREEK
5 BRIDGES) 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. 05-1 (Salt Creek Bridges) of the County of Riverside is not obligated to pay any outstanding
10 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. 05-1 (Salt Creek Bridges) 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. 05-1
17 (Salt Creek Bridges) of the County of Riverside is hereby 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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27 ///
28 ///

FORM APPROVED COUNTY COUNSEL
BY Dale A. Gardner 9/13/16
DATE

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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)