

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



ITEM  
3.5  
(ID # 5137)

MEETING DATE:

Tuesday, August 29, 2017

FROM : SUPERVISOR KEVIN JEFFRIES:

SUBJECT: SUPERVISOR KEVIN JEFFRIES: Utilization of Community Facilities Districts to fund infrastructure maintenance for New Residential Development Projects [All Districts] [\$0]

RECOMMENDED MOTION: That the Board of Supervisors direct the Executive Office, TLMA, EDA and County Counsel to prepare an analysis of the use of Community Facilities Districts and other financing mechanisms to fund infrastructure maintenance and services for New Residential Development projects and bring policy options and recommendations to the Board in approximately 120 days.

ACTION: Policy

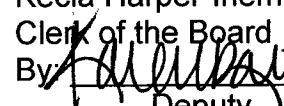
  
Supervisor Kevin Jeffries 8/15/2017

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MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Washington, Perez and Ashley  
Nays: None  
Absent: Tavaglione  
Date: August 29, 2017  
xc: First District, E.O., TLMA, Co.Co.

Kecia Harper-Ihem  
Clerk of the Board  
By:   
Deputy

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<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$	\$	\$	\$
<b>NET COUNTY COST</b>	\$	\$	\$	\$
<b>SOURCE OF FUNDS:</b>			<b>Budget Adjustment:</b>	<b>N/A</b>
			<b>For Fiscal Year:</b>	<b>17/18</b>

**C.E.O. RECOMMENDATION:** [CEO use]

**BACKGROUND:**

**Summary**

The County has traditionally used a variety of special financing mechanisms to pay for the on-going maintenance costs of public facilities required by new residential development. These mechanisms include Lighting and Landscape Maintenance Districts (LMD's) for parkway landscape maintenance and street lighting; County Service Areas (CSA's) for a variety of potential uses including park maintenance, street lighting, road maintenance, and enhanced public safety; and, more recently, Community Facilities Districts (CFD's) for maintenance of water quality features and landscaping. Having a mechanism in place to fund on-going maintenance of new public facilities that are necessary to serve new residential development assures that new residential development helps pay its own way and reduces the burden of adding new costs obligations on our existing limited County funding sources.

Our office is aware that some cities in Riverside County are using or considering expanding the use of CFD's to fund certain on-going infrastructure costs associated with new residential development. Our Transportation Department has started to utilize maintenance CFD's, rather than other options such as LMD's, since they provide a more comprehensive tool to capture the cost of a variety of facilities. Examples of costs that could potentially be included in CFD's include maintenance of new public roads created by new tract development, as well as costs that the County already traditionally includes such as water quality basin maintenance, new street lighting, new traffic signals, etc. It should be noted that maintenance CFD's serve a different purpose than construction or acquisition CFD's, which have also been established in some cases to fund construction of new transportation facilities or one-time payment of school or water mitigation fees for new development. When used, CFD's are set up prior to the sale of the new homes, so that residents purchasing into a new residential subdivision can make an informed decision on the cost of the special tax assessment needed to maintain the infrastructure associated with that development before they buy.

We are requesting that the Executive Office work with TLMA, EDA, and County Counsel to explore expanding the use of maintenance CFD's or other financing mechanisms for new development, study pros and cons, research what is being done in other jurisdictions, and report back to the Board with their finding in approximately 120 days.

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**Impact on Residents and Businesses**

Expanding the use of Community Facilities Districts and other financing mechanisms to fund on-gong maintenance and services for new residential development projects will reduce cost obligations on other limited County funding sources.