

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



**ITEM: 5.1C
(ID # 20403)**

MEETING DATE:
Tuesday, October 25, 2022

FROM : EXECUTIVE OFFICE:

SUBJECT: EXECUTIVE OFFICE: Adopt Resolution No. IFA 2022-01, Consenting to Animal Friends of the Valleys ("AFV") Constructing the Spay and Neuter Clinic Pursuant to a Loan Agreement Between PNC Bank and AFV on Property Identified as Assessor's Parcel Number 370-060-051-6, Subject to Lease Agreements Between Animal Friends of the Valleys, Riverside County Infrastructure Financing Authority, and the County of Riverside. District 1. [\$0] (Companion to MT# 20409)

RECOMMENDED MOTION: That the Board of Directors:

1. Adopt Resolution No. IFA 2022-01, Consenting to Animal Friends of the Valleys ("AFV") Constructing the Spay and Neuter Clinic Pursuant to a Loan Agreement Between PNC Bank and AFV on Property Identified as Assessor's Parcel Number 370-060-051-6, Subject to Lease Agreements Between Animal Friends of the Valleys, Riverside County Infrastructure Financing Authority, and the County of Riverside.

ACTION:Policy

Juan C. Perez, Chief Operating Officer 10/20/2022

MINUTES OF THE BOARD OF DIRECTOR

On motion of Director Spiegel, seconded by Director Perez and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Hewitt, and Perez
Nays: None
Absent: None
Date: October 25, 2022
xc: E.O.

Kecia R. Harper
Clerk of the Board

By:
Deputy

(Companion Item 3.6)

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STATE OF CALIFORNIA**

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: N/A	
			For Fiscal Year: N/A	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The Southwest Communities Financing Authority (SCFA) is a Joint Powers Agency comprised of the County of Riverside (County), and cities of Canyon Lake, Lake Elsinore, Murrieta, Temecula, Wildomar and Menifee. It was formed in 2004 with the purpose of constructing an animal shelter to provide sheltering services to the southwest portion of the County. For the purpose of providing moneys to construct such a shelter for the benefit of the public and its animals, SCFA issued its 2008 Southwest Communities Financing Authority Lease Revenue Bonds Series A (County of Riverside Capital Projects). In October of 2010, the state of the art 32,000 square foot temperature-controlled animal shelter located at 33751 Mission Trail was completed and the shelter opened to the public.

SCFA selected Animal Friends of the Valleys, a California nonprofit public benefit corporation (AFV), to operate the Shelter and provide animal sheltering services. Through lease agreements, AFV currently leases the property on which the Shelter is located to the Riverside County Infrastructure Financing Authority (Authority), who in turn leases the property to the County. AFV recently received necessary approvals, and desires to construct a Spay and Neuter Clinic immediately adjacent to the Shelter on the same parcel, to further their mission of promoting a humane, proactive animal services program, and to provide for more efficient delivery of animal sheltering services. They are currently seeking a loan in the amount of \$2,257,568 from PNC Bank, National Association, to construct the clinic; this lender has advised that as a condition of the loan, both the County and Authority must provide consent that AFV may construct said improvements pursuant to the aforementioned lease agreements.

Authority Counsel has determined that construction of additional buildings on the site is not prohibited under the existing financing documents. Attached proposed Authority Resolution No. IFA 2022-01 would provide consent for AFV to construct said improvements, thereby fulfilling this loan condition and facilitating construction of the new Spay and Neuter Clinic next to the Shelter.

Impact on Residents and Businesses

This action will not result in a fiscal impact or obligation for the Authority. Construction of a new Spay and Neuter Clinic would further AFV's mission of promoting a humane, proactive animal

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STATE OF CALIFORNIA**

services program, and provide for more efficient delivery of animal sheltering services to the community.

ATTACHMENTS:

- Resolution No. IFA 2022-01 Consenting to Animal Friends of the Valleys ("AFV") Constructing the Spay and Neuter Clinic Pursuant to a Loan Agreement Between PNC Bank and AFV on Property Identified as Assessor's Parcel Number 370-060-051-6, Subject to Lease Agreements Between Animal Friends of the Valleys, Riverside County Infrastructure Financing Authority, and the County of Riverside



Don Kent, Director of Finance 10/19/2022



Kristine Bell-Valdez, Supervising Deputy County Counsel 10/19/2022

INFRASTRUCTURE FINANCING AUTHORITY

COUNTY OF RIVERSIDE

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RESOLUTION NO. IFA 2022-01

CONSENTING TO ANIMAL FRIENDS OF THE VALLEYS (“AFV”) CONSTRUCTING THE SPAY AND NEUTER CLINIC PURSUANT TO A LOAN AGREEMENT BETWEEN PNC BANK AND AFV ON PROPERTY IDENTIFIED AS ASSESSOR’S PARCEL NUMBER 370-060-051-6, SUBJECT TO LEASE AGREEMENTS BETWEEN ANIMAL FRIENDS OF THE VALLEYS, THE RIVERSIDE COUNTY INFRASTRUCTURE FINANCING AUTHORITY, AND THE COUNTY OF RIVERSIDE

WHEREAS, communities in the southwestern portion of the County of Riverside recognized a mutual interest in constructing and operating an animal shelter to serve the public’s desire to safely and humanely shelter pets and animals locally; and

WHEREAS, on November 30, 2004 in Minute Order 3.1, the County of Riverside Board of Supervisors (“Board”) approved that certain Joint Powers Agreement between the County of Riverside (“County”), City of Canyon Lake, City of Lake Elsinore, City of Murrieta and City of Temecula, and formed the Southwest Communities Financing Authority, a California Joint Powers Agency (“SCFA”) - later amended to include the Cities of Wildomar and Menifee is 2010 and 2020, respectively - for the purpose of constructing an animal shelter; and

WHEREAS, SCFA constructed an animal shelter, located at 33751 Mission Trail, City of Wildomar, California 92595 (“Shelter”), to provide animal sheltering services for the benefit of the public and its animals, on property owned by the Elsinore Valley Municipal Water District (“EVMWD”), which is identified as Assessor’s Parcel Number 370-060-051-6 (“the Property”); and

WHEREAS, Animal Friends of the Valleys, a California nonprofit public benefit corporation (“AFV”), operates the Shelter and provides animal sheltering services through that certain Animal Shelter Operations Agreement, in effect through June 30, 2025, and may be renewed thereafter; and

FORM APPROVED COUNTY COUNSEL
BY KRISTINE BELL-VALDEZ DATE

OCT 25 2022 S/C

1 WHEREAS, AFV leases the Property from EVMWD pursuant to an Amended and
2 Restated Site Lease Agreement (“AFV Lease”), dated as of December 28, 2006, by and
3 between AFV and EVMWD, upon which the Shelter is located, for the purpose of
4 operating the Shelter; and

5 WHEREAS, the Riverside County Infrastructure Financing Authority, a California
6 Joint Powers Agency (the “Authority”), has leased the Property from AFV pursuant to that
7 certain Ground Lease (the “Ground Lease”), dated as of December 1, 2017, and in turn,
8 subleases the Property to the County pursuant to that certain Lease Agreement (the “Lease
9 Agreement”), dated as of December 1, 2017, and as approved by the Board on December 5,
10 2017 in Minute Order 9.1, pursuant to Resolution No. 2017-241; and

11 WHEREAS, in 2008, for the purpose of providing moneys to construct the Shelter
12 on the Property for the benefit of the public and its animals, the SCFA issued its
13 \$15,105,000 original principal amount of 2008 Lease Revenue Bonds, Series A (County of
14 Riverside Capital Project); and

15 WHEREAS, for purposes of refunding all of the outstanding 2008 SCFA Lease
16 Revenue Bonds Series A (County of Riverside Capital Projects) and to provide funds to
17 finance the acquisition and construction of certain capital improvements to be owned and
18 operated by the County, the Authority issued its 2017 Lease Revenue Bonds issued as
19 Series B Bonds in the amount of \$11,595,000, and as Series C Bonds in the amount of
20 \$10,610,000, under that certain Indenture of Trust dated as of December 1, 2017 by and
21 between the Authority and U.S. Bank National Association, as trustee, and all as approved
22 by the Authority’s Board of Directors on December 5, 2017 in Minute Order 5.1, pursuant
23 to Resolution No. 2017-04; and

24 WHEREAS, SCFA and the County have mutual interests in the continued operation
25 and improvement of the Shelter, in compliance with State laws and regulations; and

26 WHEREAS, AFV desires to construct a Spay and Neuter Clinic on the Property,
27 adjacent to the Shelter, and has received approvals from EVMWD and the City of
28 Wildomar for such improvements;

1 WHEREAS, AFV is seeking a loan in the amount of \$2,257,568.00 from PNC
2 Bank, National Association, to construct a Spay and Neuter Clinic on the Property, and as a
3 condition of the loan, both the County and Authority must provide consent that AFV may
4 construct said improvements pursuant to the Lease Agreement.

5 NOW THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the
6 Board of Directors of the Infrastructure Financing Authority (“Board”), in regular session
7 assembled on October 25, 2022, at 9:30 a.m. or soon thereafter, in the meeting room of the Board
8 of Directors located on the 1st floor of the County Administrative Center, 4080 Lemon Street,
9 Riverside, California, that this Board hereby finds:

10 **Section 1. Findings.** The Authority hereby finds and declares that the above recitals are true and
11 correct and incorporated as though set forth herein.

12 **Section 2. Consent.** The Authority hereby consents to the construction of
13 a Spay and Neuter Clinic at 33751 Mission, Trail, City of Wildomar, California by Animal
14 Friends of the Valley, Inc., consistent with the Lease Agreement.

15 **Section 3. Additional Acts.** The Executive Office of the County of Riverside (“Executive
16 Office”) is hereby directed to undertake the following actions:

- 17 A. Ensure that AFV shall, prior to construction of the Spay and Neuter Clinic, secure any
18 and all required land use entitlement, permits and approvals which may be required for
19 construction on the Property.
- 20 B. Ensure receipt of adequate insurance from AFV listing County, SCFA, and Authority as
21 additional insured along with any required insurance endorsements.
- 22 C. Provide such necessary indemnity from AFV to indemnify the County, SCFA, and the
23 Authority.
- 24 D. Prepare necessary documentation for the release of the Property or sub-let of the Property
25 to AFV.
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3 RESOLUTION NO. IFA 2022-01

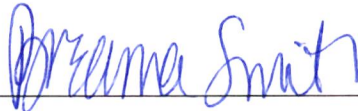
4 CONSENTING TO ANIMAL FRIENDS OF THE VALLEYS ('AFV') CONSTRUCTING THE
5 SPAY AND NEUTER CLINIC PURSUANT TO A LOAN AGREEMENT BETWEEN PNC BANK
6 AND AFV ON PROPERTY IDENTIFIED AS ASSESSOR'S PARCEL NUMBER 370-060-051-6,
7 SUBJECT TO LEASE AGREEMENTS BETWEEN ANIMAL FRIENDS OF THE VALLEYS,
8 THE RIVERSIDE COUNTY INFRASTRUCTURE FINANCING AUTHORITY, AND THE
9 COUNTY OF RIVERSIDE

10
11 ROLL CALL:

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13 Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
14 Nays: None
15 Absent: None
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18 The foregoing is certified to be a true copy of a resolution duly adopted by said Board of
19 Supervisors on the date therein set forth.

20
21 KECIA R. HARPER, Clerk of said Board

22
23 By:  _____

24 Deputy
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