

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



ITEM: 3.28
(ID # 24672)

MEETING DATE:
Tuesday, April 09, 2024

FROM : RUHS-BEHAVIORAL HEALTH:

SUBJECT: RIVERSIDE UNIVERSITY HEALTH SYSTEM - BEHAVIORAL HEALTH: Adoption of Ordinance No. 989, an Ordinance of the County of Riverside Authorizing a Public Leaseback to Finance the Costs of the Design, Development, Construction, Installation, Furnishing and Equipping of a Behavioral Health Facilities Campus in the Unincorporated Mead Valley Area of the County of Riverside, California, District 1. [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

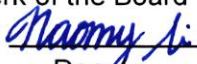
1. Waive further reading of and adopt Ordinance No. 989, an Ordinance of the County of Riverside Authorizing a Public Leaseback to Facilitate the Financing of the Costs of the Design, Development, Construction, Installation, Furnishing, and Equipping of a Behavioral Health Facilities Campus in the Unincorporated Mead Valley Area of the County of Riverside, California; and
2. Direct the Clerk of the Board to post and publish Ordinance No. 989 within fifteen days of adoption pursuant to Government Code Section 25124.

ACTION:Consent

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Gutierrez, seconded by Supervisor Perez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended and Ordinance 989 is adopted with waiver of the reading.

Ayes: Jeffries, Spiegel, Washington, Perez and Gutierrez
Nays: None
Absent: None
Date: April 9, 2024
xc: RUHS-BH, COB_{CF/AB/DL}

Kimberly A. Rector
Clerk of the Board
By: 
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
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:			Budget Adjustment:	No
			For Fiscal Year:	23/24 – 59/60

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

RUHS-BH is pursuing the development of the Mead Valley Wellness Village Project (Project) to enable consumers and their families to move through the campus' continuum of care from intensive oversight and treatment activities, to decreased therapeutic contact enabling consumers to prepare them for a self-sustained recovery grounded in their own community. By delivering the right level of care at the right time and expanding service levels, this model can save cities and the County millions of dollars annually by treating clients at the appropriate level of care, diverting clients from requiring emergency services and/or law enforcement involvement, all while making a long-lasting impact on the community through complete health, balance, and societal reintegration.

The Project will be developed in a partnership with a nonprofit corporation formed to assist the County with design, development, construction, installation, furnishing and equipping of the campus. The County will enter into a ground lease and facilities lease with the nonprofit entity, P3 Riverside Holdings, LLC (P3), to allow for project construction, as a public leaseback pursuant to California Government Code section 54241.

On March 19, 2024 (Item 19.1) Ordinance No. 989 was introduced on first reading and if approved on second reading, today's Board action would adopt the Ordinance for the County's leaseback of the Mead Valley Wellness Village site to P3 for the financing of the Project.

Proposed Financing Plan

At the same March 19, 2024, meeting which introduced the Ordinance the Board also held a hearing pursuant to the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) to facilitate the issuance of tax-exempt bonds. The Department will return on April 30, 2024, for presentation of the financing plan and the associated documents for Board approval. As noted above the County will enter a long-term lease which will provide the security for permanent financing. Today's item is being brought forward in advance of the real estate and financing documents due to the timing requirements of the California Government Code. Cost estimates and budgetary impact will be included in the April 30, 2024, agenda package.

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

Impact on Residents and Businesses

The Wellness Village model will provide the County with the means to provide these needed services to some of the County's most vulnerable populations including children, families, veterans, and other individuals. The Wellness Village will provide the community with new health services and other resources to promote wellness. In addition, the Wellness Village will create approximately 600 professional jobs, generate economic growth in the Mead Valley community and help provide community amenities.

Additional Fiscal Information

RUHS-BH will pay the lease payments by combining funding sources including Medi-Cal reimbursement, state general fund and local funds. RUHS-BH is not requesting any General Fund support at this time.

ATTACHMENT:

Attachment A. Ordinance 989



Amy McCann, Assistant Director of Behavioral Health 4/3/2024



Jacqueline Ruiz, Principal Analyst 4/3/2024



Aaron Gettis, Chief of Deputy County Counsel 4/3/2024

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ORDINANCE NO. 989

AN ORDINANCE OF THE COUNTY OF RIVERSIDE AUTHORIZING A PUBLIC
LEASEBACK TO FINANCE THE COSTS OF THE DESIGN, DEVELOPMENT,
CONSTRUCTION, INSTALLATION, FURNISHING AND EQUIPPING OF A
BEHAVIORAL HEALTH FACILITIES CAMPUS IN THE UNINCORPORATED
MEAD VALLEY AREA OF THE COUNTY OF RIVERSIDE, CALIFORNIA

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

Section 1. FINDINGS. The Board of Supervisors of the County of Riverside finds that:

- a. The County of Riverside (the “County”) is the owner of an approximately 19.41 acre parcel of real property located at the northwest corner of Harvill Avenue and Water Avenue, south of the City of Riverside and west of the City of Perris, in the unincorporated Mead Valley area of Riverside County, California (the “Land”).
- b. P3 Riverside Holdings, LLC (“P3”), the sole member of which is P3 Foundation Inc., a North Carolina nonprofit corporation, has been formed as a limited liability company for the purpose of assisting the County in the design, development, construction, installation, furnishing and equipping of a behavioral health facilities campus and related facilities on the Land (the “Project”), for use by the County.
- c. The County, as the owner of the land on which the Project will be constructed, will enter into a ground lease of the Land with P3 (the “Ground Lease”).
- d. In order to finance the Project, P3 has requested that the California Enterprise Development Authority (the “Authority”) issue tax-exempt bonds, to be designated as the “Lease Revenue Bonds (Riverside County – Mead Valley Wellness Village Project), Series 2024” or similar designation in an aggregate principal amount to be determined (the “Bonds”).
- e. P3 proposes to enter into a Facilities Lease Agreement (the “Facilities Lease”) under which P3 will undertake the Project and lease the Leased Premises (as such term is defined in the Facilities Lease) to the County.

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- f. Payments by the County of rent under the Facilities Lease will be used to pay debt service on the Bonds, but the Bonds will not in any way constitute an obligation or debt of the County.
- g. The Project is necessary to meet the County’s needs for facilities to provide behavioral health services to residents of Riverside County.
- h. The County does not wish to undertake directly the governmental burden associated with the Project and has determined that the proposal by P3 is the most efficient means for managing the financing and construction of the Project.
- i. The transaction as proposed constitutes a public leaseback that the County wishes to approve in accordance with Section 54241 of the California Government Code.
- j. Environmental review pursuant to the California Environmental Quality Act (“CEQA”), Public Resources Code Section 21000, et seq., has been completed for the Project. The County will adopt a Mitigated Negative Declaration (MND) and Mitigation Monitoring and Reporting Program concurrently with approval of this ordinance, finding that that there is no substantial evidence that the Project will have a significant effect on the environment.

Section 2. PURPOSE. The purpose of this ordinance is to authorize a public leaseback to finance the costs of the Project in the unincorporated Mead Valley area of Riverside County.

Section 3. AUTHORITY. This ordinance is adopted pursuant to California Government Code Section 54241.

Section 4. AUTHORIZATION OF PUBLIC LEASEBACK. The public leaseback as set forth in this ordinance is authorized.

- a. Upon completion of negotiations of the Ground Lease and Facilities Lease, the County shall consider approving and authorizing execution of the Ground Lease and the Facilities Lease. The final schedule of base rent payments due under the Facilities Lease shall be determined and added as an exhibit to the Facilities Lease upon the issuance and sale of the Bonds.
- b. The County hereby requests that P3 lease the Land pursuant to the anticipated Ground Lease and undertake the Project, and thereby relieve the

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County of the governmental burden thereof. The County hereby approves P3 solely for the purposes of approving the issuance by the Authority of the Bonds to finance the Project under applicable tax law. The Bonds shall not be an obligation of the County or any other agency or subdivision of the State of California, subject to entering into the Ground Lease and Facilities Lease. The County further agrees to accept title to the Project financed by the Bonds, including any additions to the Leased Premises, when the Bonds are discharged. At such time, title to the Project financed by the Bonds will be transferred to the County at no additional cost.

c. To the extent necessary to meet the conditions of paragraph (d)(2) of United States Securities and Exchange Commission Rule 15c2-12, as applicable to a participating underwriter for the Bonds, the County is hereby authorized to enter into an undertaking in a form acceptable to the participating underwriter.

d. All appropriate officers of the County are authorized to take any actions and to execute documents as in their judgment may be necessary or desirable in order to carry out the terms of, and complete the transactions contemplated by, this action. All acts taken and all approvals and agreements previously made pursuant to the authority of this action but prior to the effective date hereof are hereby ratified and confirmed.

e. This ordinance shall be published before the expiration of fifteen (15) days after its passage and adoption pursuant to California Government Code Section 25124.

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

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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: 

Chuck Washington, Chair

ATTEST:


KIMBERLY RECTOR
CLERK OF THE BOARD OF SUPERVISORS

By: 

Deputy

APPROVED AS TO FORM:

County Counsel

March 13, 2024
By: 

Kristine Bell-Valdez
Supervising Deputy County Counsel

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STATE OF CALIFORNIA)
)
COUNTY OF RIVERSIDE) ss

I HEREBY CERTIFY that at a regular meeting of the Board of Supervisors of said county held on April 09, 2024, the foregoing ordinance consisting of 6 Sections was adopted by the following vote:

AYES: Jeffries, Spiegel, Washington, Perez, and Gutierrez
NAYS: None
ABSENT: None

DATE: April 09, 2024

KIMBERLY A. RECTOR
Clerk of the Board

BY: Naomy Li
Deputy

SEAL

1 STATE OF CALIFORNIA)
2) ss
3 COUNTY OF RIVERSIDE)

4 I HEREBY CERTIFY that at a regular meeting of the Board of Supervisors of said county
5 held on March 19, 2024, the foregoing ordinance consisting of 6 Sections was adopted by the
6 following vote:

7 AYES:

8 NAYS:

9 ABSENT:

10 DATE: _____, 2024

KIMBERLY RECTOR
CLERK OF THE BOARD OF
SUPERVISORS

11
12 *seal*

By: _____
Deputy

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Riverside, California 92501
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neller@scng.com

County of Riverside - Clerk of the Board
PO Box 1147
Riverside, California 92502

<i>Account Number:</i>	5209148
<i>Ad Order Number:</i>	0011661412
<i>Customer's Reference/PO Number:</i>	
<i>Publication:</i>	The Press-Enterprise
<i>Publication Dates:</i>	04/15/2024
<i>Total Amount:</i>	\$940.21
<i>Payment Amount:</i>	\$0.00
<i>Amount Due:</i>	\$940.21
<i>Notice ID:</i>	TEaSckqXZdsncNBw93S9
<i>Invoice Text:</i>	<p>BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA ORDINANCE NO. 989 AN ORDINANCE OF THE COUNTY OF RIVERSIDE AUTHORIZING A PUBLIC LEASEBACK TO FINANCE THE COSTS OF THE DESIGN, DEVELOPMENT, CONSTRUCTION, INSTALLATION, FURNISHING AND EQUIPPING OF A BEHAVIORAL HEALTH FACILITIES CAMPUS IN THE UNINCORPORATED MEAD VALLEY AREA OF THE COUNTY OF RIVERSIDE, CALIFORNIA The Board of Supervisors of the County of Riverside ordains as follows: Section 1. FINDINGS. The Board of Supervisors of the County of Riverside finds that: a. The County of Riverside (the "County") is the owner of an approximately 19.41 acre parcel of real property located at the northwest corner of Harvill Avenue and Water Avenue, south of the City of Riverside and west of the City of Perris, in the unincorporated Mead Valley area of Riverside County, California (the "Land"). b. P3 Riverside Holdings, LLC ("P3"), the sole member of which is P3 Foundation Inc., a North Carolina nonprofit corporation, has been formed as a limited liability company for the purpose of assisting the County in the design, development, construction, installation, furnishing and equipping of a behavioral health facilities campus and related facilities on the Land (the "Project"), for use by the County. c. The County, as the owner of the land on which the Project will be constructed, will enter into a ground lease of the Land with P3 (the "Ground Lease"). d. In order to finance the Project, P3 has requested that the California Enterprise Development Authority (the "Authority") issue tax-exempt bonds, to be designated as the "Lease Revenue Bonds (Riverside County – Mead Valley Wellness Village Project), Series 2024" or similar designation</p>

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The Press-Enterprise
3512 14 Street
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(951) 368-9229

County of Riverside - Clerk of the Board
PO Box 1147
Riverside, California 92502

Publication: The Press-Enterprise

PROOF OF PUBLICATION OF

Ad Desc: 0011661412

FILE NO. 0011661412

PROOF OF PUBLICATION

I am a citizen of the United States. I am over the age of eighteen years and not party to or interested in the above-entitled matter. I am an authorized representative of THE PRESS-ENTERPRISE, a newspaper of general circulation, printed and published daily in the County of Riverside, and which newspaper has been adjudicated a newspaper of general circulation by the Superior Court of the County of Riverside, State of California, under date of April 25, 1952, Case Number 54446, under date of March 29, 1957, Case Number 65673, under date of August 25, 1995, Case Number 267864, and under date of September 16, 2013, Case Number RIC 1309013; that the notice, of which the annexed is a printed copy, has been published in said newspaper in accordance with the instructions of the person(s) requesting publication, and not in any supplement thereof on the following dates, to wit:

04/15/2024

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Date: April 15, 2024.
At: Riverside, California



Signature

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

**ORDINANCE NO. 989
AN ORDINANCE OF THE COUNTY OF RIVERSIDE
AUTHORIZING A PUBLIC LEASEBACK TO FINANCE
THE COSTS OF THE DESIGN, DEVELOPMENT,
CONSTRUCTION, INSTALLATION, FURNISHING
AND EQUIPPING OF A BEHAVIORAL HEALTH
FACILITIES CAMPUS IN THE UNINCORPORATED
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- f. Payments by the County of rent under the Facilities Lease will be used to pay debt service on the Bonds, but the Bonds will not in any way constitute an obligation or debt of the County.
- g. The Project is necessary to meet the County's needs for facilities to provide behavioral health services to residents of Riverside County.
- h. The County does not wish to undertake directly the governmental burden associated with the Project and has determined that the proposal by P3 is the most efficient means for managing the financing and construction of the Project.
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- l. Environmental review pursuant to the California Environmental Quality Act ("CEQA"), Public Resources Code Section 21000, et seq. has been completed for the Project. The County will adopt a Mitigated Negative Declaration (MND) and Mitigation Monitoring and Reporting Program concurrently with approval of this ordinance, finding that there is no substantial evidence that the Project will have a significant effect on the environment.

Section 2. PURPOSE. The purpose of this ordinance is to authorize a public leaseback to finance the costs of the Project in the unincorporated Mead Valley area of Riverside County.

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b. The County hereby requests that P3 lease the Land pursuant to the anticipated Ground Lease and undertake the Project, and thereby relieve the County of the governmental burden thereof. The County hereby approves P3 solely for the purposes of approving the issuance by the Authority of the Bonds to finance the Project under applicable tax law. The Bonds shall not be an obligation of the County or any other agency or subdivision of the State of California, subject to entering into the Ground Lease and Facilities Lease. The County further agrees to accept title to the Project financed by the Bonds, including any additions to the Leased Premises, when the Bonds are discharged. At such time, title to the Project financed by the Bonds will be transferred to the County at no additional cost.

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d. All appropriate officers of the County are authorized to take any actions and to execute documents as in their judgment may be necessary or desirable in order to carry out the terms of, and complete the transactions contemplated by, this action. All acts taken and all approvals and agreements previously made pursuant to the authority of this action but prior to the effective date hereof are hereby ratified and confirmed.

e. This ordinance shall be published before the expiration of fifteen (15) days after its passage and adoption pursuant to California Government Code Section 25124.

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

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

Chuck Washington, Chair of the Board

I HEREBY CERTIFY that at a regular meeting of the Board of Supervisors of said County, held on **April 9, 2024**, the foregoing Ordinance was adopted by said Board by the following vote:

AYES: Jeffries, Spiegel, Washington, Perez
and Gutierrez
NAYS: None
ABSENT: None

Kimberly A. Rector, Clerk of the Board
By: Cindy Fernandez, Clerk of the Board Assistant
The Press-Enterprise
Published: 4/15/24