

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



ITEM: 3.43

(ID # 30450)

MEETING DATE:

Tuesday, July 14, 2026

FROM : (RUHS) RIVERSIDE UNIVERSITY HEALTH SYSTEM

SUBJECT: RIVERSIDE UNIVERSITY HEALTH SYSTEM: Introduce Ordinance No. 1011, Authorizing a Public Leaseback to Facilitate the Financing of the Costs of Construction of the Storm Drain as part of the Riverside University Health System Wellness Center; District 5, [Total Cost \$0].

RECOMMENDED MOTION: That the Board of Supervisors:

1. Introduce, read title and waive further reading of Ordinance No. 1011, 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 storm drain facilities related to the RUHS Wellness Center located in the Moreno Valley Area of the County of Riverside, California.

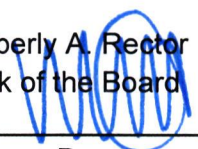
ACTION:Policy, CIP


Jennifer Cruikshank, Chief Executive Officer – Health System 5/12/2026

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Gutierrez, seconded by Supervisor Medina and duly carried, IT WAS ORDERED that the above matter is approved as recommended and that the above Ordinance is approved as introduced with a waiver of reading.

Ayes: Medina, Spiegel, and Gutierrez
Nays: None
Absent: Washington and Perez
Date: July 14 2026
xc: RUHS-MC, COB/AG

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: N/A			Budget Adjustment:	No
			For Fiscal Year:	26/27

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

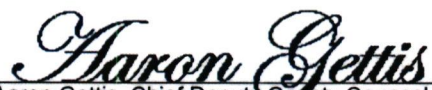
In 2022, Riverside University Health System (RUHS) received Board authorization (M.O. 3.48, 1/15/22) to advance master planning and development of the Wellness Center as part of the broader Medical Center Expansion. A key component includes construction of the Moreno MDP Line J flood control facilities along Morrison Street (Brodiaea Avenue to Cactus Avenue) and Brodiaea Avenue (west of Morrison Street to east of Blue Ribbon Lane). Upon completion, these improvements will mitigate flood risk and support future campus expansion.

Pursuant to California Government Code Section 54241, Ordinance No. 1011 would authorize a site lease of the Line J site to a limited liability company for financing purposes and approve execution of a lease agreement pursuant to which the completed flood control facilities will be leased to the County. It is anticipated that the lease financing will be completed on a tax-exempt basis and the lease payments will be scheduled to repay the principal and interest components of the lease financing. Final lease payment terms will be determined prior to the completion of the lease financing and incorporated into the lease agreement. A subsequent item will be presented to the Board at an upcoming meeting for the second reading of the Ordinance, along with the final lease agreement and related documents.

Ordinance No. 1011 has been approved as to form by County Counsel.

Impact on Residents and Businesses

The Medical Center Expansion Project is a component of RUHS's system of care aimed at improving the health and safety of its patients and the growing community.


Aaron Gettis, Chief Deputy County Counsel 7/9/2026

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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

- a. The County of Riverside (the “County”) is the owner of the real property comprising the Riverside University Health System Medical Center located at 26520 Cactus Avenue, Moreno Valley, California, bounded on the east by Nason Street, on the north by Brodiaea Avenue, on the west by privately owned land and on the south by Cactus Avenue (the “Medical Center Property”).
- b. The County has determined that there is a need to increase behavioral health inpatient beds, critical care inpatient beds and emergency room expansion, including new emergency and trauma bays and support services on the Medical Center Property (the “Master Project”).
- c. The County did not wish to undertake directly the governmental burden associated with the Master Project and has, pursuant to a Request for Proposal released by Facilities Management – Real Estate Division in June 2022 (the “Request for Proposal”), sought proposals for qualified developers to master plan and propose, plan and develop the Master Project.
- d. Following review of proposals from qualified developers, the County selected Trammell Crow So. Cal. Healthcare Development, Inc., a Delaware corporation (“Trammell Crow”), to undertake the Master Project.
- e. To facilitate the development of the Master Project, flood control facilities along the eastern boundary of the Medical Center Property must be designed, developed, constructed, and installed in cooperation with the Riverside County Flood Control and Water Conservation District,

commonly identified as the Moreno Valley Master Drainage Plan (“MDP”) Line J Stage 3 Project (the “Project”).

- f. The Project is necessary to meet the County’s objective to provide health services to residents of Riverside County.
- g. TC Riverside Nason & Cactus, LLC, a Delaware limited liability company (“TC”), whose sole member is Trammell Crow So. Cal. Healthcare Development, Inc., a Delaware corporation, has been formed as a limited liability company for the purpose of completing the Project.
- h. The County, as the owner of the land on which the Project will be constructed (the “Land”), will enter into a site lease of the Land with TC (the “Site Lease”).
- i. TC proposes to enter into a lease agreement (the “Lease Agreement”) under which TC will undertake the Project and lease the Leased Premises (as such term is defined in the Lease Agreement) to the County.
- j. The transaction as proposed constitutes a public leaseback that the County wishes to approve in accordance with Section 54241 of the California Government Code.
- k. Environmental review has been completed for the Project and the County determined the Master Project, of which the Project is a part, to be exempt from CEQA pursuant to California Welfare and Institutions Code Section 5960.31. No additional environmental review is required for this action.

Section 2. PURPOSE. The purpose of this ordinance is to authorize a public leaseback to finance the costs of the Project in the city of Moreno Valley.

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 Site Lease and Lease Agreement, the County shall consider approving and authorizing execution of the Site Lease and the Lease Agreement. The final schedule of base rent payments due under the Lease Agreement shall be determined and added as an exhibit to the Lease Agreement upon completion of the financing for the Project.

- 1 b. The County hereby requests that TC lease the Land pursuant to the
2 anticipated Site Lease and undertake the Project, and thereby relieve the
3 County of the governmental burden thereof. The County further agrees to
4 accept title to the Project financed pursuant to the Site Lease and the Lease
5 Agreement, including any additions to the Leased Premises, when all
6 payments under the Lease Agreement have been made. At such time, title
7 to the Project financed by the Site Lease and the Lease Agreement will be
8 transferred to the County at no additional cost.
- 9 c. All appropriate officers of the County are authorized to take any actions and
10 to execute documents as in their judgment may be necessary or desirable in
11 order to carry out the terms of, and complete the transactions contemplated
12 by, this action. All acts taken and all approvals and agreements previously
13 made pursuant to the authority of this action but prior to the effective date
14 hereof are hereby ratified and confirmed.
- 15 d. This ordinance shall be published before the expiration of fifteen (15) days
16 after its passage and adoption pursuant to California Government Code
17 Section 25124.

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

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

3 BOARD OF SUPERVISORS OF THE
4 COUNTY OF RIVERSIDE, STATE OF
5 CALIFORNIA

6 By: _____
7 Karen Spiegel, Chair

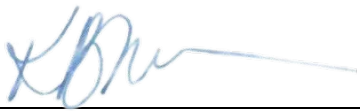
8 **ATTEST:**

9 KIMBERLY RECTOR
10 CLERK OF THE BOARD OF SUPERVISORS

11
12 By: _____
13 Deputy

14 **APPROVED AS TO FORM:**

15 _____
16 July 8 , 2026

17 
18 By: _____
19 Kristine Bell-Valdez
20 Supervising Deputy County Counsel

