



Staff Report

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**File #:** 24-0253

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**REQUEST FOR CITY COUNCIL ACTION**

**DATE:** 04/03/2024

**TO:** Honorable Mayor and City Council Members

**FROM:** Finance Department

**SUBJECT:**

RESOLUTION NO. 2024-010 APPROVAL OF AMENDMENT TO THE JOINT COMMUNITY FACILITIES AGREEMENT FOR COMMUNITY FACILITIES DISTRICT NO. 2018-1 (BEDFORD)

**EXECUTIVE SUMMARY:**

This staff report asks the City Council to adopt the Resolution regarding approval of an amendment to the Joint Community Facilities Agreement (JCFA Amendment) for Community Facilities District No. 2018-1 (Bedford) (CFD) and authorizing the City Manager to execute the JCFA Amendment.

**RECOMMENDED ACTION:**

**That the City Council** adopt Resolution No. 2024-010, approving the execution and delivery of the JCFA Amendment.

**BACKGROUND & HISTORY:**

On June 20, 2018, the City Council established the CFD, and designated five improvement areas therein, for the purpose of levying special taxes on parcels of taxable property therein to provide the financing of certain public facilities which are necessary to meet increased demands placed upon the City because of the development of said real property. In conjunction with the formation of the CFD, in order to facilitate the construction of certain public improvements therein, the City, for itself and on behalf of the CFD, Riverside County Flood Control and Water Conservation District (County Flood), and Arantine Hills Holdings L.P. (t Owner) entered into that certain Joint Community Facilities Agreement, dated as of July 1, 2018 (the "Original JCFA").

In July 2021, Arantine Hills Holdings LP, the owner of the land within Improvement Area No. 3 and Improvement Area No. 4 of the CFD (the Owner), acquired an additional thirty-one (31) acres of land adjacent to the property, which have now been annexed into the CFD. As a result, the Owner is now requesting that the parties to the Original JCFA consider an amendment thereto to account for additions to the storm drain improvements and the extension of the flood control channel for the

acquisition thereof by County Flood using bond proceeds of the CFD. The County, for County Flood, has agreed to the changes in the JCFA Amendment, and will bring approval before the County Board.

**ANALYSIS:**

Community facilities districts impose a special tax to provide a portion of the funding necessary to deliver services and/or facilities to newly developed areas pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Act"). The special tax is levied on real property within the district and then collected with property taxes.

**FINANCIAL IMPACT:**

There is no fiscal impact to the City's general fund as the debt service on any special tax bonds are paid solely by special taxes levied on the property within the CFD.

**ENVIRONMENTAL ANALYSIS:**

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the common sense exemption that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. This action approves a JCFA among Riverside County Flood Control and Water Conservation District and Arantine Hills Holdings L.P. There are no possibilities that adopting the above resolution will have a significant effect on the environment. Therefore, no environmental analysis is required.

**PREPARED BY:** ERMA MONTANO, SENIOR FINANCIAL ANALYST

**REVIEWED BY:** KIM SITTON, FINANCE DIRECTOR

**Attachments:**

1. Exhibit 1 - Resolution No. 2024-010