



**PUBLIC HEARING AND RESOLUTION AUTHORIZING
COMMUNITY FACILITIES DISTRICT NO. 2015-1
(ORANGECREST GROVE) SPECIAL TAX BONDS
SERIES 2020A (TAX EXEMPT) AND SERIES 2020B
(FEDERALLY TAXABLE) NOT TO EXCEED \$3M**

Finance Department

City Council
February 11, 2020

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BACKGROUND

1. CFD 2015-1 (Orangecrest Grove) formed August 11, 2015
 - A. Adopted JCFA with Riverside Unified School District
 - B. Incur Bonded Indebtedness NTE \$3,000,000
 - C. Levy Special Taxes Upon Developed Properties
2. Levied Special Taxes Starting FY 2019
3. Request for Bond Sale from Developer
4. 85 Parcels – Developed and Conveyed to Owners



2

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PROPOSED TRANSACTION

1. Special Tax Bonds Secured by Special Tax Revenue levied on the Orangecrest Grove CFD
2. Principal Not To Exceed \$3 Million
3. 30 Year Maturity
4. Special Reserve Funded with Special Tax Revenue To Minimize Default Risk
5. Reimburse Developer Park Fees and School Facility Costs
6. Appraised Value of Property - \$38M



3

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GOOD FAITH ESTIMATES

1. Total Finance Charge - \$295,000
2. Aggregate Principal - \$2,790,000
3. Estimated True Interest Cost of Bonds – 3.33%
4. Amount of Estimated Bond Proceeds - \$2,331,000
5. Total Payment Amount to Final Maturity - \$4,371,000



4

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RECOMMENDATIONS

That the City Council:

1. Conduct a Public Hearing to consider the issuance of the Community Facilities District No. 2015-1 (Orangecrest Grove) special tax bonds, series 2020A (Tax Exempt) and 2020B (Federally Taxable) in an aggregate principal amount not to exceed \$3,000,000;
2. Adopt a Resolution authorizing the issuance of the Community Facilities District No. 2015-1 (Orangecrest Grove) special tax bonds, series 2020A (Tax Exempt) and 2020B (Federally Taxable) in an aggregate principal amount not to exceed \$3,000,000;



5

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RECOMMENDATIONS

3. Approve the financing team, as identified herein, for this transaction and authorize the Treasurer or any duly authorized designee, to pay the costs of such firms in connection with this financing, from CFD 2015-1 Series 2020A and 2020B bond proceeds; and
4. Authorize the City Manager and Chief Financial Officer, or designees, to execute all documents related to the issuance of the special tax bonds for Community Facilities District No. 2015-1 (Orangecrest Grove) and the ability to make minor changes as required to carry out the financing.



6

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