



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: APRIL 27, 2021**

FROM: FINANCE DEPARTMENT **WARD: 4**

SUBJECT: JOINT COMMUNITY FACILITIES AGREEMENT BETWEEN THE CITY OF RIVERSIDE, RIVERSIDE UNIFIED SCHOOL DISTRICT, AND LURIN LAND, LLC

ISSUE:

Approve a Joint Community Facilities Agreement between the City of Riverside, Riverside Unified School District, and Lurin Land, LLC.

RECOMMENDATIONS:

That the City Council:

1. Approve a Joint Community Facilities Agreement between the City of Riverside, Riverside Unified School District, and Lurin Land, LLC; and
2. Authorize the City Manager, or designee, to execute the Joint Community Facilities Agreement, related documents, and the ability to make minor non-substantive changes.

BACKGROUND:

The Riverside Unified School District (RUSD) has initiated proceedings to form CFD No. 38 pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982. Lurin Land, LLC (the Developer) has requested that the Riverside Unified School District establish a Joint Community Facilities Agreement (JCFA) with the City of Riverside in order to finance the design and development of facilities and City fee facilities within the City of Riverside.

Lurin Land, LLC is developing the property within CFD No. 38, which is located within the City of Riverside under Tract Map Numbers: 37731, 37732, and 37733. The City facilities eligible to be financed by CFD No. 38 consist of street and storm drain improvements on Lurin Avenue, Obsidian Street, Barton Street, Mariposa Avenue, Cole Avenue and any other public street and storm drain improvement required for these Tract Map Numbers. Conditions of approval of Tract Numbers 37731, 37732, and 37733 include costs of site acquisition, planning, design, engineering, City legal services, materials testing, coordination, surveying, construction staking, construction inspection and all other work. City Fee Facilities may include, but are not limited to: Andulka Park and parking lot improvements, Arlington Heights Sports Complex, Mountain View Park Playground, Orange Terrace Community Center/Gym, Orange Terrace Field and Park

expansion, Tequesquite (Ryan Bonaminio) Park Tennis Courts, Trails, and North Park Historical Trellis.

DISCUSSION:

The City and RUSD, by entering into the proposed Joint Community Facilities Agreement (JCFA) with Lurin Land, LLC., will enable CFD No. 38 to finance City facilities and City Fee Facilities. Detailed scope and limits of the City Facilities and City Fee Facilities will be determined by the Developer and the City, consistent with City standards.

Approximately \$4,200,000 is estimated to be available from the sale of bonds issued by RUSD. These bond proceeds will be used to reimburse the Developer the actual cost of constructing the facilities which are eligible to be paid by RUSD, with City consent. Upon final inspection and approval by the City, the City Facilities will be acquired and the Developer will be reimbursed.

Pursuant to the attached agreement, RUSD will have responsibility for CFD No. 38:

- The bonds will be issued and administered by RUSD, in the name of RUSD, not the City's name;
- The City's credit is not obligated for this debt; and
- The City will not be involved with levying or administering the annual Special Tax for the CFD debt service, if applicable.

FISCAL IMPACT:

There is no fiscal impact to the City through this action. All costs associated with the formation are paid by the Developer. Any subsequent costs related to research or public records requests will be reimbursed to the City by CFD No. 38, per the JCFA. It is estimated that approximately \$4,200,000 will be available for Developer reimbursement of facility and fee facility costs.

Prepared by: Heidi Schrader, Debt and Treasury Manager
Certified as to
availability of funds: Edward Enriquez, Chief Financial Officer/Treasurer
Approved by: Moises Lopez, Deputy City Manager
Approved as to form: Kristi J. Smith, Interim City Attorney

Attachments: RUSD CFD 38 Joint Agreement with City of Riverside