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101 North "D" Street, or call (951) 943-6100*

AGENDA
JOINT MEETING OF THE CITY COUNCIL, SUCCESSOR
AGENCY TO THE REDEVELOPMENT AGENCY, PUBLIC
FINANCE AUTHORITY, PUBLIC UTILITY AUTHORITY,
HOUSING AUTHORITY, PERRIS JOINT POWERS
AUTHORITY AND PERRIS COMMUNITY ECONOMIC
DEVELOPMENT CORPORATION OF THE CITY OF PERRIS
Tuesday, April 28, 2015
6:00 P.M.
City Council Chambers
(corner of San Jacinto and Perris Boulevard)
101 North "D" Street
Perris, California

1. CALL TO ORDER: 6:00 p.m.

2. ROLL CALL:

Rogers, Burke, Rabb, Rodriguez, Busch

3. INVOCATION:

Pastor Benjamin Briggs
Greater Light Community Church
3060 Barrett Avenue
Perris, CA 92571

4. PLEDGE OF ALLEGIANCE:

Councilwoman Rogers will lead the Pledge of Allegiance.

5. PRESENTATIONS/ANNOUNCEMENTS:

At this time, the City Council may recognize citizens and organizations that have made significant contributions to the community and it may accept awards on behalf of the City.

A. Proclamation presented to Adrian Garcia for his selfless actions.

B. Proclamation presented to Sierra Fryer for her selfless actions.

- C. Proclamation presented to Grailin Fletcher for his selfless actions.
- D. Proclamation presented to Corporal Alexander Decker for his selfless actions.
- E. Sabrina Chavez, Assistant Director of Community Services and Housing will announce the City of Perris Housing Expo 2015.

6. APPROVAL OF MINUTES:

- A. Approval of the Minutes of the Joint Regular Meeting of the City Council, Successor Agency to the Redevelopment Agency, Public Finance Authority, Public Utility Authority, Housing Authority, Perris Joint Powers Authority and the Perris Community Economic Development Corporation of the City of Perris held April 14, 2015.

7. CONSENT CALENDAR:

Consent Calendar items are normally enacted in one motion. The Mayor or City Council may remove a Consent Calendar item for separate action. Public comment is limited to three (3) minutes.

- A. Adopt the Second Reading of Ordinance Number (next in order) regarding Community Facilities District 2014-2 (Perris Valley Spectrum) of the City of Perris ("District") levying taxes with the District in accordance with the respective Rate and Method of Apportionment. The District is generally located at the northwest corner of Perris Boulevard and Orange Avenue.

The Second Reading of Proposed Ordinance Number (next in order) is entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN SAID DISTRICT

- B. Approve the Summer/Holiday City Council Meeting Schedule.
- C. Approve the closure of Indian Avenue to complete the street improvements.
- D. Approve the amendment to the Freeway Maintenance Agreement between the City of Perris and Caltrans.

8. PUBLIC HEARINGS:

The public is encouraged to express your views on any matter set for public hearing. It is our procedure to first receive the staff report, then to ask for public testimony, first from those in favor of the project followed by testimony from those in opposition to it, and if there is opposition, to allow those in favor, rebuttal testimony only as to the points brought up in opposition. To testify on the matter, you need to simply come forward to the speaker's podium at the appropriate time, give your name and address and make your statement. After a hearing is closed, you may not further speak on the matter unless requested to do so or are asked questions by the Mayor or a Member of the City Council. Public comment is limited to three (3) minutes.

- A. Consideration to adopt Resolution Number (next in order) approving the FY 2015-2016 Annual Action Plan Funding Recommendations for the Community Development Block Grant (CDBG) Program.

The Proposed Resolution Number (next in order) is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, APPROVING THE FY 2015-2016 ACTION PLAN WITH PROPOSED FUNDING FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FEDERAL ENTITLEMENT PROGRAM

Introduced by: Darren Madkin, Deputy City Manager

PUBLIC COMMENT:

9. BUSINESS ITEMS: (not requiring a "Public Hearing"):

Public comment will be called for each non-hearing item. Please keep comments brief so that everyone who wishes to speak has the opportunity to do so. After public comment is closed, you may not further speak on the matter unless the Mayor or City Council requests further clarification of your statement. Public Comment is limited to three (3) minutes.

- A. Consideration to adopt Resolution Number (next in order) regarding entering into Agreements with Successor Agency to pledge property taxes constituting former tax increment to new bonds to be sold by new CFD 2014-2 in a similar manner to the pledge in the 91-1 CFD in connection with refinancing the 91-1 bonds.

The Proposed Resolution Number (next in order) is entitled:

RESOLUTION OF THE SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF PERRIS APPROVING AN AMENDED PLEDGE AGREEMENT WITH THE CITY IN CONNECTION WITH THE REFUNDING OF THE OUTSTANDING COMMUNITY FACILITIES DISTRICT NO. 91-1 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS 1991 SPECIAL TAX BONDS

Introduced by: Eric Dunn, City Attorney

PUBLIC COMMENT:

10. PUBLIC COMMENT/CITIZEN PARTICIPATION:

This is the time when any member of the public may bring a matter to the attention of the Mayor and the City Council that is within the jurisdiction of the City Council. The Ralph M. Brown act limits the Mayor's, City Council's and staff's ability to respond to comments on non-agendized matters at the time such comments are made. Thus, your comments may be agendized for a future meeting or referred to staff. The City Council may discuss or ask questions for clarification, if desired, at this time. Public comment is limited to three (3) minutes.

11. COUNCIL COMMUNICATIONS:

(Committee Reports, Agenda Items, Meeting Requests and Review etc.)

This is an opportunity for the Mayor and City Councilmembers to report on their activities and the actions of the Committees upon which they sit, to bring a matter to the attention of the full Council and staff, and to request agenda items. Any matter that was considered during the public hearing portion is not appropriate for discussion in this section of the agenda. NO ACTION CAN BE TAKEN AT THIS TIME.

12. CITY MANAGER'S REPORT:

13. CLOSED SESSION:

- A. Conference with Legal Counsel - Potential Litigation - Government Code Section 54956.9 (d)(4) - 2 cases

14. ADJOURNMENT:

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Building Official (951) 443-1029. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting.

**CITY COUNCIL/
SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY/
PERRIS PUBLIC FINANCE AUTHORITY/
PERRIS PUBLIC UTILITIES AUTHORITY/HOUSING
AUTHORITY/PERRIS JOINT POWERS AUTHORITY/PERRIS
COMMUNITY ECONOMIC DEVELOPMENT CORPORATION
AGENDA SUBMITTAL**

TO: The Honorable Mayor and Members of the City Council
FROM: Nancy Salazar, City Clerk
DATE: April 28, 2015
SUBJECT: *Approval of Minutes* NS

BACKGROUND: None.

FISCAL IMPACT: None.

- **RECOMMENDATION:** Motion to approve the Minutes of the Regular Joint Meeting held on April 14, 2015 of the City Council, Successor Agency to the Redevelopment Agency, Public Finance Authority, Public Utility Authority, Housing Authority, Perris Joint Powers Authority

Prepared by: Judy L. Haughney, CMC, Records Clerk 
Approved by: Nancy Salazar, City Clerk

Attachments:

- Minutes of the Regular Joint Meeting held on April 14, 2015 of the City Council, Successor Agency to the Redevelopment Agency, Public Finance Authority, Public Utility Authority, Housing Authority, Perris Joint Powers Authority

CITY OF PERRIS

MINUTES:

Date of Meeting: April 14, 2015

06:00 PM

Place of Meeting: City Council Chambers

1. CALL TO ORDER: 6:00 p.m.

Mayor Busch called the Regular City Council Meeting to order at 6:01 p.m.

2. ROLL CALL: Rodriguez, Rogers, Burke, Rabb, Busch

Staff Members Present: City Manager Belmudez, City Attorney Dunn, City Engineer Motlagh, Assistant City Manager Carr, Deputy City Manager Madkin, Redevelopment & Economic Development Manager McDermott, Police Captain Judge, Fire Chief Barnett, Director of Development Services Miramontes, Capital Improvement Project Manager Morales, Information Technology Manager Cervantes, Administrative Services Manager Carlos, Assistant Director of Community Services and Housing Chavez, Assistant Finance Director Erwin, Assistant Director of Public Works Hartwill, Public Information Officer Vargo, Records Clerk Haughney and City Clerk Salazar.

3. INVOCATION: _____

The Invocation was given by Pastor Ted Norton.

4. PLEDGE OF ALLEGIANCE:

Councilman Rodriguez led the Pledge of Allegiance.

5. PRESENTATIONS/ANNOUNCEMENTS:

A. Community Action Partnership Update Presented by Brenda Salas Freeman, Executive Director, County of Riverside Community Action Partnership

B. Relay for Life Proclamation.

C. May is Mental Health Month Proclamation.

- D. 2015 Live Well Community Health Fair presented by Isabel Carlos, Administrative Services Manager

6. APPROVAL OF MINUTES:

- A. Approved the Minutes of the Joint Regular Meeting of the City Council, Successor Agency to the Redevelopment Agency, Public Finance Authority, Public Utility Authority, Housing Authority, Perris Joint Powers Authority and the Perris Community Economic Development Corporation of the City of Perris held March 31, 2015.

The Mayor called for a motion.

M/S/C: Moved by Julio Rodriguez, seconded by Tonya Burke to Approve the Minutes as presented.

AYES: Julio Rodriguez, Rita Rogers, Tonya Burke, David Starr Rabb, Daryl Busch

NOES:

ABSENT:

ABSTAIN:

7. CONSENT CALENDAR:

The Mayor called for Public Comment. There was no Public Comment.

- A. Adopted the Second Reading of Ordinance Number 1313 regarding Ordinance Amendment 15-05012 to amend Zoning Code Chapter 19.76, Beverage Container Recycling Collection Facilities, to add new criteria and standards for small recycling centers.

The Second Reading of Ordinance Number 1313 is entitled:
 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, APPROVING ORDINANCE AMENDMENT 15-05012 TO AMEND CHAPTER 19.76 OF THE ZONING CODE, BEVERAGE CONTAINER RECYCLING COLLECTION CENTERS, AND MAKE FINDINGS IN SUPPORT THEREOF

- B. Adopted the Second Reading of Ordinance Number 1314 regarding Ordinance Amendment 15-05009, to amend the Zoning Code to add Chapter 19.64, Donation Collection Boxes, to regulate donation collection boxes.

The Second Reading of Ordinance Number 1314 is entitled:
 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, APPROVING ORDINANCE AMENDMENT 15-05009 TO ADD CHAPTER 19.64, DONATION COLLECTION BOXES, TO THE ZONING CODE AND MAKE FINDINGS IN SUPPORT THEREOF

- C. Adopted the Second Reading of Ordinance Number 1315 regarding Development Agreement No. 14-00070 for the approved Towne Center commercial project, located at the southeast corner of Ethanac Road and I-215. (Applicant: MTC Consolidated, LLC).

The Second Reading of Ordinance Number 1315 is entitled:
 AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE CITY OF PERRIS AND MTC CONSOLIDATED LLC RELATED TO TENTATIVE TRACT MAP 34999, STREET VACATIONS 07- 0112 AND 07-0113, AND DEVELOPMENT PLAN REVIEW 06- 0337 FOR A COMMERCIAL PROJECT AT THE SOUTHEAST CORNER OF THE 215 FREEWAY AND ETHANAC ROAD

- D. Approved the Four Way Stop at "D" and 7th Street.
- E. Approved the award of bid to New Millennium Construction for construction of the Senior Center Renovation Phase II project.
- F. Adopted Resolution Number 4864 approving CFD Agreement and Land Transfer Agreement with Perris Group, LLC.

Resolution Number 4864 is entitled:
 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA APPROVING AN AGREEMENT WITH PERRIS GROUP, LLC PROVIDING FOR THE PAYMENT AND WAIVER OF CERTAIN SPECIAL TAXES AND THE EXECUTION OF A LAND TRANSFER AGREEMENT IN CONNECTION WITH REVENUE AND TAXATION CODE SECTION 3698.5(A)

The Mayor called for a motion.

M/S/C; Moved by Julio Rodriguez, seconded by Rita Rogers to Approve the Consent Calendar as presented.

AYES: Julio Rodriguez, Rita Rogers, Tonya Burke, David Starr Rabb, Daryl Busch

NOES:

ABSENT:

ABSTAIN:

8. PUBLIC HEARINGS:

- A. Adopted Resolution Numbers 4865, 4866 and 4867 regarding Annexation of PM 36469 to the City's Maintenance Districts, located on the east side of Redlands Avenue with the Oleander Channel along the north boundary and

the Perris Valley Storm Drain Channel along the east boundary. (Owner: Stratford Ranch LLC).

Resolution Number 4865 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ORDERING THE WORK IN CONNECTION WITH ANNEXATION OF PM 36469 TO CITY OF PERRIS MAINTENANCE DISTRICT NUMBER 84-1, GIVING FINAL APPROVAL OF THE ENGINEER'S REPORT, AND LEVYING THE ASSESSMENT FOR FISCAL YEAR 2014-2015

Resolution Number 4866 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ORDERING THE WORK IN CONNECTION WITH ANNEXATION OF PM 36469 TO BENEFIT ZONE 110, CITY OF PERRIS LANDSCAPE MAINTENANCE DISTRICT NUMBER 1, GIVING FINAL APPROVAL OF THE ENGINEER'S REPORT, AND LEVYING THE ASSESSMENT FOR FISCAL YEAR 2014-2015

Resolution Number 4867 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ORDERING THE WORK IN CONNECTION WITH ANNEXATION OF PM 36469 TO BENEFIT ZONE 81, CITY OF PERRIS FLOOD CONTROL MAINTENANCE DISTRICT NUMBER 1, GIVING FINAL APPROVAL OF THE ENGINEER'S REPORT, AND LEVYING THE ASSESSMENT FOR FISCAL YEAR 2014-2015

This item was presented by Roxanne Shepherd, Shepherd and Staats.

The Mayor opened the Public Hearing at 6:45 p.m. There was no public comment.

The Mayor closed the Public Hearing at 6:46 p.m.

The Mayor asked City Clerk Salazar to open the 3 ballots.

City Clerk Salazar opened the 3 ballots and announced that all 3 ballots were marked "Yes".

The Mayor called for a motion.

M/S/C: Moved by Rita Rogers, seconded by David Starr Rabb to Approve Resolution Numbers 4865, 4866 and 4867 as presented.

AYES: Julio Rodriguez, Rita Rogers, Tonya Burke, David Starr Rabb, Daryl Busch

NOES:

ABSENT:

ABSTAIN:

- B. Adopted Resolution Number 4868 and introduced the First Reading of Ordinance Number 1316 regarding Community Facilities District 2014-2 (Perris Valley Spectrum) of the City of Perris ("District") special election related to (1) the levy of special taxes on property within the District; (2) incurring bonded indebtedness in an aggregate principal amount not to exceed \$4,000,000; and (3) establishing an appropriations limit for the District. District is generally located at the northwest corner of Perris Boulevard and Orange Avenue.

Resolution Number 4868 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF THE COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS, DECLARING THE RESULTS OF A SPECIAL ELECTION RELATING TO THE LEVY OF A SPECIAL TAX WITHIN SAID DISTRICT. THE ISSUANCE OF BONDED INDEBTEDNESS AND THE ESTABLISHMENT OF AN APPROPRIATIONS LIMIT

The First Reading of Ordinance Number 1316 is entitled:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN SAID DISTRICT

Assistant City Attorney Luck presented this item.

Councilman Rabb left the City Council Chambers at 6:48 p.m. and returned at 6:49 p.m.

The Mayor opened the Public Hearing at 6:50 p.m. There was no public comment.

The Mayor closed the Public Hearing at 6:50 p.m.

The Mayor asked City Clerk Salazar to open the ballots.

City Clerk Salazar opened the ballots and announced the election canvass as follows:

The total number of votes possible was 62. The total number of Yes votes cast was 53. The total number of No votes cast was 0. The measure passed unanimously.

The Mayor called for a motion.

M/S/C: Moved by Julio Rodriguez, seconded by Tonya Burke to Approve Resolution Number 4868 as presented.

AYES: Julio Rodriguez, Rita Rogers, Tonya Burke, David Starr Rabb, Daryl Busch

NOES:

ABSENT:
ABSTAIN:

The Mayor called for a motion.

M/S/C: Moved by Julio Rodriguez, seconded by David Starr Rabb to Approve the First Reading of Ordinance Number 1316 as presented.

AYES: Julio Rodriguez, Rita Rogers, Tonya Burke, David Starr Rabb, Daryl Busch

NOES:
ABSENT:
ABSTAIN:

- C. Adopted Resolution Numbers 4869, 4870 and PJPA-014 regarding refinancing of prior bonds associated with CFD No. 91-1 (Perris Valley Spectrum). The District consists of a 54.21 acre rectangular shaped parcel of land generally located at the northwest corner of Perris Boulevard and Orange Avenue within the City of Perris.

Resolution Number 4869 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS; AUTHORIZING THE ISSUANCE OF ITS SPECIAL TAX BONDS, 2015 SERIES C \$3,500,000; TO REFINANCE THE PRIOR BONDS OF THE 1991 DISTRICT PERMITTING THE PURCHASE OF SUCH BONDS BY THE PERRIS JOINT POWERS AUTHORITY, AND APPROVING CERTAIN DOCUMENTS AND TAKING CERTAIN OTHER ACTIONS IN CONNECTION THEREWITH

Resolution Number PJPA-014 is entitled:

A RESOLUTION OF THE PERRIS JOINT POWERS AUTHORITY AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$3,500,000 OF ITS PERRIS JOINT POWERS AUTHORITY LOCAL AGENCY REFUNDING REVENUE BONDS CFD NO. 2014-2 (PERRIS VALLEY SPECTRUM), 2015 SERIES C, THE PURCHASE OF BONDS ISSUED BY CFD 2014-2 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS WITH THE PROCEEDS OF THE AUTHORITY'S BONDS UPON CERTAIN TERMS AND CONDITIONS, AND APPROVING CERTAIN DOCUMENTS AND OTHER ITEMS RELATING THERETO

Resolution Number 4870 is entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF CFD NO. 91-1 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS

**APPROVING AN ESCROW AGREEMENT IN CONNECTION WITH A
REFUNDING OF ITS 1991 SPECIAL TAX BONDS**

Assistant City Attorney Luck presented this item.

The Mayor opened the Public Hearing at 6:59 p.m. There was no public comment.

The Mayor closed the Public Hearing at 6:59 p.m.

The Mayor called for a motion.

M/S/C: Moved by Julio Rodriguez, seconded by Tonya Burke to Approve Resolution Numbers 4869, 4870 and PJPA-014 as presented.

AYES: Julio Rodriguez, Rita Rogers, Tonya Burke, David Starr Rabb, Daryl Busch

NOES:

ABSENT:

ABSTAIN:

9. **BUSINESS ITEMS:**

There were no Business Items

10. **PUBLIC COMMENT/CITIZEN PARTICIPATION:**

The following people spoke at Public Comment:

Bill Lamb

Cesar Santillana

Julie Vargas

Catherine Fields

Delia Garcia

Jesus Soriano

Virniecia Green-Jordan

Ana Magana

Randy Segovia

Julie Vargas read a letter for the following people:

Verginio Hernandez

Jesus Gallegos

Lilia Gallegos

Aucensio Salas

Teresa Blanco

Aldilde Hernandez

Carolina Molina

Estela Jimenez

Maria Gonzales

Rodrigo Gonzales

Jose Jimenez

Adrian Garcia
One person did not identify themselves

11. COUNCIL COMMUNICATIONS:

The following Councilmembers spoke:

Rodriguez

Burke

Rogers

Rabb

12. CITY MANAGER'S REPORT:

Councilman Rodriguez left the City Council Chambers at 8:04 and returned at 8:05 p.m.

13. CLOSED SESSION:

14. ADJOURNMENT:

There being no further business the Mayor adjourned the Regular City Council meeting at 8:06 p.m.

CITY COUNCIL/SUCCESSOR AGENCY/PERRIS PUBLIC FINANCING
AUTHORITY AGENDA
AGENDA SUBMITTAL

Meeting Date **April 28, 2015**

SUBJECT: Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris ("District") Ordinance Levying Taxes with the District in accordance with the respective Rate and Method of Apportionment

District is generally located at the northwest corner of Perris Boulevard and Orange Avenue.

REQUESTED ACTION: Conduct a Second Reading of the following Ordinance Levying Tax within District:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN SAID DISTRICT

CONTACT: Ron Carr, Assistant City Manager and Finance Director

BACKGROUND/DISCUSSION:

On January 13, 2015, the City Council of the City of Perris ("City Council") held a public hearing and adopted Resolution 4802 ("Resolution of Formation") establishing Community Facilities District 2014-2 (Perris Valley Spectrum) of the City of Perris (the "District") to replace Community Facilities District 91-1 ("CFD 91-1"), in order to issue bonds and refinance the bonds of CFD 91-1, provide a lower maximum special tax to landowners within the District, and encourage development. Accordingly, the City Council called a special tax election that would levy special taxes on property within the District, incur bonded indebtedness in an aggregate principal amount not to exceed \$4,000,000, and would adopt a special tax formula that would charge developed property up to 100% of the tax first and then undeveloped property.

Following the election, the City Council first introduced the above-referenced Ordinance. The Ordinance authorizes the levy of a special tax within the District in accordance with the respective Rate and Method of Apportionment approved in connection with the Resolution of Formation and under the conditions specified therein, including beginning the levying in Fiscal Year 15/16.

Requested action: Second Reading of Ordinance authorizing the levy of a special tax within the District.

BUDGET (or FISCAL) IMPACT:

None. Funds provided for by special taxes levied in the District.

Reviewed by:

City Attorney _____

Assistant City Manager *Mc* _____

Attachments: One Ordinance

Consent:

Public Hearing:

Business Item:

Other:

ORDINANCE NO. ____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN SAID DISTRICT

THE CITY COUNCIL OF THE CITY OF PERRIS ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF THE COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS DOES ORDAIN AS FOLLOWS:

Section 1. By the passage of this ordinance, the City Council authorizes the levy of a special tax at the rate and formula set forth in Exhibit "A" to Resolution No. 4802 adopted on January 13, 2015 (the "Resolution"), and which for reference purposes is attached hereto as Exhibit "A" and incorporated herein by this reference.

Section 2. The City Council or its designee is hereby further authorized to determine, by ordinance, resolution, or by other action if permitted by then applicable law, on or before August 1 of each tax year, the specific special tax to be levied on each parcel of land in the Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris (the "District"). The special tax to be levied shall not exceed the maximum rates set forth in Exhibit "A", but the special tax may be levied at a lower rate. The City Clerk is authorized and directed to file with the county auditor on or before the 10th day of August of each tax year a certified copy of such ordinance or resolution accompanied by a list of all parcels subject to the special tax levy with the tax to be levied on each parcel.

Section 3. Properties or entities of the state, federal or other local governments shall be exempt from the above-referenced and approved special taxes only to the extent set forth in Exhibit A hereto and otherwise shall be subject to the tax consistent with the provisions of Section 53317.3 of the Mello-Roos Community Facilities Act of 1982 (the "Act") in effect as of the date of adoption of this Ordinance.

Section 4. All of the collections of the special taxes shall be used only as provided for in the Act and the Resolution. The special taxes shall be levied only so long as needed to accomplish the purposes described in the Resolution.

Section 5. The special taxes shall be collected from time to time as necessary to meet the financial obligations of the District on the secured real property tax roll in the same manner as ordinary ad valorem taxes are collected, or other procedures as may be adopted by the City Council. The City Manager and Finance Director are each hereby authorized and directed to provide or to cause to be provided all necessary information to the auditor/tax collector of the County of Riverside and to otherwise take all actions necessary in order to effect proper billing and collection of the special taxes, so that the special taxes shall be levied and collected in sufficient amounts and at times necessary to satisfy the financial obligations of the District in each fiscal year until the bonds as defined in the rate and method attached as Exhibit "A" ("2014-2 Bonds"), and/or any other bonds

outstanding secured by the special taxes in the District, have been paid in full and/or cancelled, and provision has been made for payment of all of the administrative costs of the District. The special taxes may be subject to the same penalties and the same procedure, sale and lien priority in cases of delinquency as provided for ad valorem taxes as such procedure may be modified by law or this City Council from time to time.

Notwithstanding the foregoing, the City Manager or Finance Director may collect, or cause to be collected, one or more installments of the special taxes by means of direct billing by the District of the property owners within the District, if, in the judgment of the City Manager or Finance Director, such means of collection will reduce the administrative burden of the District in administering the District where it is otherwise appropriate in the circumstances. In such event, the special taxes shall become delinquent if not paid when due as set forth in any such respective billing to the property owners.

Whether the special taxes are levied in the manner provided in the first or the second preceding paragraph, the special taxes shall have the same lien priority, and be subject to the same penalties and the same procedure and sale in cases of delinquency as provided for ad valorem taxes. In addition, the provisions of Section 53356.1 of the Act shall apply to delinquent special tax payments.

Section 6. As a cumulative remedy, if any amount levied as a special tax for payment of bond interest or principal, together with any penalties and other charges accruing under this ordinance, are not paid when due, the City Council may, not later than four years after the due date of the last installment of principal of the 2014-2 Bonds, order that the same be collected by an action brought in the superior court to foreclose the lien of such special tax.

Section 7. This Ordinance relating to the levy of the special taxes shall take effect immediately upon its final passage in accordance with the provisions of Section 36937(a) of the Government Code, and the specific authorization for adoption is pursuant to the provisions of Section 53340 of the Government Code.

Section 8. The City Clerk is hereby directed to execute and cause to be recorded in the office of the County Recorder of the County of Riverside a notice of special tax lien in the form required by the Act, said recording to occur no later than fifteen days following final passage by the City Council of this Ordinance.

Section 9. The Mayor shall sign this Ordinance and the City Clerk shall attest to the Mayor's signature and then cause the same to be published within fifteen (15) days after its passage at least once in a newspaper of general circulation published and circulated in the City.

Section 10. The City Clerk shall certify to the passage of this Ordinance and shall cause the same to be published as required by law.

ADOPTED, SIGNED and APPROVED this _____ day of _____ 2015.

Mayor, Daryl R. Busch

Attest:

City Clerk, Nancy Salazar

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Ordinance Number ____ was duly and regularly adopted by the City Council of the City of Perris, acting as the legislative body of Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris, at a regular meeting held the ____ day of _____ 2015, by the following called vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By: _____
City Clerk, Nancy Salazar

EXHIBIT A

**COMMUNITY FACILITIES DISTRICT NO. 2014-2
(PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS**

RATE AND METHOD OF APPORTIONMENT

[ATTACHED]

EXHIBIT A

CITY OF PERRIS COMMUNITY FACILITIES DISTRICT NO. 2014-2 (PERRIS VALLEY SPECTRUM)

RATE AND METHOD OF APPORTIONMENT

Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax shall be levied by the City on all Assessor's Parcels within CFD No. 2014-2 and collected each Fiscal Year, commencing no earlier than Fiscal Year 2015-16, in an amount sufficient to pay the Annual Costs, as defined herein, of the CFD No. 2014-2 and, all payments required under the Bond Documents for the Bonds and any supplements thereto. The Special Tax may be levied each fiscal year, to the extent, and in the manner herein provided.

A. DEFINITIONS

2014 Pledge Agreement means the agreement between the City of Perris on behalf of CFD No. 2014-2, CFD 91-1 and itself, and the Agency which memorializes the Agency Contribution to the Bonds.

Act means the Mello-Roos Communities Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2 of Title 5 of the Government Code of the State of California.

Agency means the successor agency of the Redevelopment Agency of the City of Perris created to make payments on all enforceable obligations of the former redevelopment agency of the City or of the successor agency with respect to the refinancing of enforceable obligations, including the Agency Contribution.

Agency Contribution means for any fiscal year an amount equal to the Tax Increment Revenues to be received by the Agency in the such fiscal year as certified in a Report of an Independent Financial Consultant; provided that in no event shall the Agency Contribution in any fiscal year exceed an amount necessary, together with funds on deposit in the Bonds Fund, to pay (i) the debt service due on the bonds in such fiscal year; (ii) Administrative Expenses in such fiscal year, and (iii) the amount, if any, to increase the deposit in the Reserve Fund to the Reserve Requirement (the "Maximum Agency Contribution"). The Agency Contribution is subordinate to all outstanding or future bonded indebtedness of the Agency and any pass through payments pursuant to Section 33607.7 and 33607.5 of the Redevelopment Law or pass through agreements as provided in the 2014 Pledge Agreement. The Agency Contribution may be reduced by \$1 in each fiscal year to effectuate savings to the Agency or as otherwise described in the 2014 Pledge Agreement.

Annual Costs for any fiscal year equals the sum of (i) annual Debt Service for the current Bond

Year; (ii) the estimated administrative fees or expenses of the City for such fiscal year; (iii) the amount, if any, necessary to replenish the Revenue Fund on the Bonds to the level required under the Bond Documents; (iv) any other payment required under the Bond Documents and any amendment thereto; (v) less the Agency Contribution for such Fiscal Year.

Assigned Special Tax means the amount determined in accordance with Section C, which may be levied for each applicable Fiscal Year on an Assessor's Parcel of Taxable Property.

Assessor means the County Assessor.

Assessor's Parcel means a lot or parcel shown on an Assessor's Parcel Map with an Assigned Assessor's Parcel Number.

Assessor's Parcel Map means an official map of the Assessor designating parcels by Assessor's Parcel Number.

Assessor's Parcel Number or APN means the number assigned to an Assessor's Parcel by the Assessor for purposes of identification.

Authority is the City of Perris Joint Powers Authority.

Bond Documents means any fiscal agent agreement, indenture, trust agreement or similar document setting forth the terms of any Bonds.

Bond Year means the subsequent Calendar Year for which Debt Service is due and payable following the Fiscal Year for which Special Taxes are levied.

Bonds means any debt (as defined in the Act) of CFD No. 2014-2, whether in one series or more, secured by the levy of Special Taxes, of which, the first series of Bonds issued shall be used to defease the Prior Bonds.

Boundary Map means the "Map of Proposed Boundaries of Community Facilities District No. 2014-2, City of Perris, County of Riverside, State of California," filed October 24, 2014 in Book 77, Page 65 of Maps of Assessments and Community Facilities Districts in the office of the County Recorder.

Building Permit means a permit for new construction for a residential or non-residential structure. For purposes of this definition, "Building Permit" shall not include permits for construction or installation of retaining walls, utility improvements, or other such improvements not intended for human habitation.

Calendar Year means the period commencing January 1 of any year and ending the following December 31.

CFD Administrator means an official of the City, or designee thereof, responsible for determining the Annual Costs and providing for the levy and collection of the Special Taxes for CFD No. 2014-2.

CFD No. 91-1 means Community Facilities District No. 91-1 (Perris Valley Spectrum) of the City

of Perris, originally formed by the City on January 28, 1991.

CFD No. 2014-2 means Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris, established for the sole purpose of refinancing CFD No. 91-1.

City means the City of Perris, California.

Debt Service for any fiscal year is the total annual principal and interest payment on the Bonds or Prior Bonds for the next succeeding March 1 (the March 1 in such fiscal year) and the following September 1 (September 1 in the next fiscal year), less investment earnings on the Reserve Fund available for that purpose and not required under the Bond Documents to be set aside in a separate account to be used to make payments to the United States pursuant to the federal tax laws, and less any capitalized interest and any other amounts on deposit in the Bond Fund under the Bond Documents as of the first day of such fiscal year.

Developed Property means an Assessor's Parcel of Taxable Property for which a Building Permit was issued on or before **March 1** preceding the Fiscal Year for which Special Taxes are being levied.

Fiscal Year means the period starting July 1 and ending the following June 30.

Maximum Special Tax means the maximum Special Tax determined in accordance with Section C, which may be levied for each applicable Fiscal Year on an Assessor's Parcel of Taxable Property.

Prior Bonds means the remaining outstanding Community Facilities District No. 91-1 of the City of Perris, 1991 Special Tax Bonds, dated April 1, 1991.

Resolution of Issuance is any Resolution adopted by the City authorizing the issuance of the Bonds to be secured by the levy of a Special Tax within the CFD No. 2014-2.

Special Tax is any tax authorized under Section 53340 of the California Government Code to be levied by the City within CFD No. 2014-2.

Tax Increment Revenues shall mean for each July 1-June 30 ("Fiscal Year") the total ad valorem tax revenues generated within the Site in a Fiscal Year, which revenues are allocated to and actually received by Successor Agency for such Successor Agency Fiscal Year pursuant to Section 33670(b) of the California Health and Safety Code, minus the amount of such revenues set aside pursuant to sections 33334.2 and 33334.3 of said Redevelopment Law for low and moderate-income housing purposes, and minus such amounts as may be allocated or required to be paid to or for the benefit of the County of Riverside and any other taxing entities pursuant to an agreement entered into pursuant to former Health and Safety Code Section 33401. In the event Available Tax Increment Revenues decrease or are eliminated, then for purposes of the 2014 Pledge Agreement, the Available Tax Increment Revenues shall be deemed to mean the form of tax or revenue which the Successor Agency receives in total or partial replacement of such Available Tax Increment Revenues, including funds constituting Available Tax Increment Revenues under the Dissolution Law deposited from time to time in the Redevelopment Property Tax Fund established pursuant to Health and Safety Code Section 34170.5(a) of the Law and administered by the auditor controller of the County of Riverside, constituting part of the Dissolution Law. Tax Increment Revenues are further limited as provided in the 2014 Pledge Agreement by and between the City (on behalf of CFD 91-1 and CFD 2014-2) related to the Agency Contribution.

Taxable Lot Square Footage or TLSF is all of the area of an Assessor's Parcel within CFD No. 2014-2, which is not exempt from the Special Tax pursuant to Section 53311, et. seq. of the California Government Code.

Taxable Property means all Assessor's Parcels that are not exempt from the Special Tax pursuant to the Act.

Trustee means the trustee, fiscal agent, or paying agent under the Bond Documents.

Undeveloped Property means all Assessor's Parcel for which a Building Permit has not been issued on or before **March 1**, preceding the Fiscal Year for which Special Taxes are being levied.

B. CLASSIFICATION OF ASSESSOR'S PARCELS

Each Fiscal Year, beginning with Fiscal Year 2015-16, each Assessor's Parcel shall first be classified by the CFD Administrator as Taxable Property or Exempt Property. In addition, each such Fiscal Year, each Assessor's Parcel of Taxable Property shall be further classified by the CFD Administrator as Developed Property or Undeveloped Property. Commencing with Fiscal Year 2015-16 and for each subsequent Fiscal Year, all Taxable Property shall be subject to the levy of Special Taxes pursuant to Section C below.

C. MAXIMUM SPECIAL TAXES

Each Fiscal Year commencing the later of the issuance of the Bonds to refund the Prior Bonds or in Fiscal Year 2015-16, each taxable Assessor's Parcel shall be subject to the Special Tax. The Maximum Special Tax shall be equal to \$0.2645 per TLSF.

D. METHOD OF APPORTIONMENT OF SPECIAL TAX

Commencing in Fiscal Year 2015-16 and for each subsequent Fiscal Year as provided in Section G, the CFD Administrator shall levy a Special Tax on all Taxable Property until the total amount of Special Taxes levied equals the Annual Costs in accordance with the following steps:

Step One: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property, up to 100% of the applicable Maximum Special Tax for such Fiscal Year to fund the Annual Costs.

Step Two: If additional monies are needed to fund the Annual Costs after the first step has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Maximum Special Tax.

E. MANNER OF COLLECTION

The collection of Special Taxes for CFD No. 2014-2 shall commence in Fiscal Year 2015-16 provided that the Prior Bonds have been refunded. The annual Special Taxes shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that the Special Taxes may be billed and collected at a different time or in a different manner if necessary to meet the

financial obligations of CFD No. 2014-2.

F. PREPAYMENT OF SPECIAL TAX

The following definitions apply to this Section F.

“Administrative Fee” equal the fees and expenses associated with the prepayment, including the costs of computation of the Prepayment Amount, the costs of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption.

“Outstanding Bonds” means all previously issued Bonds which will remain outstanding after the first interest and/or principal payment date following the current Fiscal Year.

“Reserve Fund Credit” shall equal the lesser of (i) the expected reduction in the applicable reserve fund requirement (as defined in the Bond Documents), if any, following the redemption of Outstanding Bonds from proceeds of the prepayment or (ii) the amount derived by subtracting the new reserve fund requirement in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the applicable reserve fund on the prepayment date. Notwithstanding the foregoing, the Reserve Fund Credit shall in no event be less than \$0.

The Special Tax obligation of an Assessor’s Parcel of Taxable Property may be prepaid in full, provided that there are a) no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor’s Parcel at the time that the Special Tax obligation would be prepaid, and b) the amount of Special Taxes that may be levied on Taxable Property, net of reasonably estimated annual administrative expenses, is at least 1.10 times the regularly scheduled annual interest and principal payments on all currently Outstanding Bonds in each future Fiscal Year.

The Prepayment Amount for an Assessor’s Parcel eligible for prepayment shall be determined as described below.

An owner of an Assessor’s Parcel intending to prepay all or a part of the Special Tax obligation shall provide the CFD Administrator with written notice of intent to prepay, and within 10 business days of receipt of such notice, the City shall notify such owner of the amount of a non-refundable deposit determined by the CFD Administrator as necessary to cover the cost to be incurred by CFD No. 2014-2 in calculating the proper amount of a prepayment. Within 30 business days of receipt by the CFD Administrator of the non-refundable deposit, the CFD Administrator shall notify such owner of the prepayment amount for the applicable Assessor’s Parcel. Prepayment must be made not less than 60 days prior to the next occurring date that notice of redemption of Bonds from the proceeds of such prepayment may be given by the Trustee pursuant to the Bond Documents.

The Prepayment Amount for each applicable Assessor’s Parcel or group of Assessor’s Parcels shall be calculated according to the following formula (capitalized terms defined below):

	Bond Redemption Amount
plus	Redemption Premium
plus	Defeasance Amount
plus	Administrative Fee
<u>less</u>	<u>Reserve Fund Credit</u>

equals Prepayment Amount

As of the date of prepayment, the Prepayment Amount shall be calculated as follows:

1. For an Assessor's Parcel of Taxable Property, compute the Special Tax applicable to such Assessor's Parcel by taking the product of \$0.2645 and the Taxable Lot Square Footage of such Assessor's Parcel.
2. For each Assessor's Parcel intending to prepay, divide the Special Tax computed pursuant to paragraph 1 for such Assessor's Parcel by the sum of the estimated Special Tax applicable to all Assessor's Parcels of Taxable Property within CFD No. 2014-2 using the same approach identified in Step 1, excluding the Special Taxes of any Assessor's Parcels for which the Special Tax obligation has been previously prepaid.
3. For each Assessor's Parcel intending to prepay, multiply the quotient computed pursuant to paragraph 2, by the Outstanding Bonds. Sum up the product of each of the parcels to be prepaid, and round up to the nearest \$5,000 increment to calculate the "Bond Redemption Amount," for such Assessor's Parcel(s).
4. Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds on the next available redemption date to be redeemed with the proceeds of the Bond Redemption Amount. This product is the "Redemption Premium."
5. Compute the amount needed to pay interest on the Bond Redemption Amount starting with the first Bond interest payment date after which the prepayment has been received until the earliest redemption date for the Outstanding Bonds, taking into consideration the amount of Special Tax levied on and paid, for the Assessor's Parcel in the current Fiscal Year and the portion of Outstanding Bonds.
6. Compute the amount the CFD Administrator reasonably expects to be derived from the reinvestment of the Prepayment Amount until the next available redemption date for the Outstanding Bonds less an Administrative Fee (as listed in the definitions above).
7. Subtract the amount computed pursuant to paragraph 6 from the result computed pursuant to paragraph 5. This difference is the "Defeasance Amount."
8. The Prepayment Amount is equal to the sum of the Bond Redemption Amount, the Redemption Premium, the Defeasance Amount, and the Administrative Fee, less the Reserve Fund Credit (as listed in the definitions above).

With respect to the Special Tax obligation that is prepaid pursuant to this Section F, the CFD Administrator shall indicate in the records of CFD No. 2014-2 that there has been a prepayment of the Special Tax obligation and shall cause a suitable notice to be recorded in compliance with the Act within thirty (30) days of receipt of such prepayment to indicate the prepayment of the Special Tax obligation and the release of the Special Tax lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay such Special Tax shall cease.

G. TERMINATION OF SPECIAL TAX

For each Fiscal Year that any Bonds are outstanding, the Special Tax shall be levied on all Assessor's

Parcels of Taxable Property in accordance with Section D but in no event shall the Special Tax be levied on an Assessor Parcel after Fiscal Year 2020-21. If any delinquencies for Special Tax remain uncollected prior to or after all Bonds are retired, the Special Tax may continue to be levied on delinquent parcels to the extent necessary to reimburse CFD No. 2014-2 for any uncollected Special Taxes.

H. CESSATION OF SPECIAL TAX IN CFD No. 91-1

Following the issuance of the Bonds, the City, on behalf of CFD 91-1, may cease to levy or collect special taxes in CFD 91-1 pursuant to Government Code Section 53330.5 and the Act. To evidence such cessation, CFD No, 91-1 may record a notice of cessation of the special tax in the office of the County Recorder of the County of Riverside. Any cessation of the special tax to pay the 91-1 Bonds may provide for the forgiveness of past due or current delinquent taxes in CFD No. 91-1 as determined by CFD No. 91-1.

I. APPEALS

Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the CFD Administrator not later than twelve months after having paid the first installment of the Special Tax that is disputed. The CFD Administrator shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and rule on the appeal. If the decision of the CFD Administrator requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the property owner, a cash refund will only occur in the final Fiscal Year of Outstanding Bonds and for each prior Fiscal Year a cash refund shall not be made, but an adjustment shall be made to the Special Tax on that Assessor's Parcel in the subsequent Fiscal Year(s) to compensate for the overpayment of the Special Tax.

**CITY COUNCIL/SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY/PUBLIC FINANCE
AUTHORITY/PUBLIC UTILITY
AUTHORITY/HOUSING AUTHORITY/PERRIS
COMMUNITY ECONOMIC DEVELOPMENT
CORPORATION**

AGENDA SUBMITTAL

Meeting Date: April 28, 2015

SUBJECT: Summer/Holiday City Council Meeting Schedule

REQUESTED ACTION: That the City Council Approve the City Council Meeting Schedule for May-August and December, 2015

CONTACT: Richard Belmudez, City Manager

BACKGROUND/DISCUSSION:

Many local City Councils take a legislative recess from their regularly scheduled meetings during the summer months and holidays to allow their members time for vacations and a general break from the demanding meeting schedule. As in previous years, a summer schedule is proposed this year that will include one monthly meeting, as required by Government Code Section 36805, during May-August and December 2015.

The proposed dates for the summer month meetings are:

May 12th
June 9th
July 14th
August 11th

The regularly scheduled meetings proposed to be cancelled are:

May 26th
June 30th
July 28th
August 25th

In December, it is proposed that the meeting of December 8th be held, and the meeting of December 29th be cancelled. Should an urgent matter emerge, a special meeting of the City Council may be called. It is recommended that the City Council approve the meeting schedule for City Council meetings during the months of May-August and December 2015.

BUDGET (or FISCAL) IMPACT:

None

Reviewed by:

City Attorney:

Assistant City Manager *RC*

Consent: Yes

Public Hearing:

Business Item:

CITY COUNCIL
AGENDA SUBMITTAL

Meeting Date: April 28, 2015

SUBJECT: Indian Avenue Closure
REQUESTED ACTION: Authorize Closure of Indian Avenue
CONTACT: Habib Motlagh, ^HCity Engineer

BACKGROUND/DISCUSSION: Ridge Development Company and Duke Realty are requesting closure of Indian Avenue from Rider Street north and up to MWD property just south of Ross Development. The closure is requested to complete the required and conditioned street improvements. As stated in attached letter from Mr. Dennis Rice of Ridge, the closure will start and be completed within 78 days.

At City Council's meeting on January 13, 2015, the Council authorized closure of Rider Street east of Perris Boulevard for the benefit of this project and to install storm drain improvements. It should be noted that the conditions stipulated for the closure of Rider as stated in January 13, 2015 staff report shall apply to this request as appropriate including a deposit of \$25,000 to cover the \$2,500 penalty.

BUDGET (or FISCAL) IMPACT: All costs associated with detour and traffic control shall be paid by the Developer.

Reviewed by:
City Attorney
Assistant City Manager *MC*

Attachments: Ridge Letter Dated March 27, 2015
Staff Report dated January 13, 2015

Consent: Yes
Public Hearing:
Business Item:
Other:

RIDGE DEVELOPMENT COMPANY

2211 Michelson Drive, Suite 650

Irvine, CA 92612

949-751-5721

March 27, 2015

Mr. Habib Motlagh
Tri Lake Consultants
c/o The City of Perris
135 North D Street
City of Perris, CA 92570

RE: Street Closure of Indian Avenue between Rider Street and the MWD property ("south half of Indian Avenue")

Dear Habib,

On behalf of Duke Realty LP as the owner of the Duke Perris Logistics Center project located at the NW corner of Rider Street and Perris Blvd, please use this letter as our formal request for City Council's consideration, at their meeting on April 14th, to close Indian Avenue between Rider Street and the north PL of the MWD property/south PL of the Ross Property ("south half of Indian Avenue") to all traffic due to the construction of a storm drain line, a potable water line, a recycle water line, relocation of the SCE overhead distribution lines, and road roadway improvements that include landscaped medians. Due to the limited width (1 lane in each direction) of the south half portion of the existing Indian Avenue, it is not possible to perform all this work without a full closure of the south half of Indian Avenue. There will not be enough room for cars to travel while this is under construction. This closure is being entirely paid for by the owner of the property, Duke Realty.

There are no residents or businesses along the entire stretch of the proposed closure area. On Wednesday, March 25, 2015, we met with 4 Ross Dress for Less executives who gave their consent to close the south half of Indian Avenue because the north half will be completed and the north half is their primary ingress and egress to their facility.

The one-time, full closure of the south half of Indian Avenue is scheduled to be closed for approximately 78 days (15 1/2 weeks) to complete.

The project construction manager is The Moote Group and the general contractors are All American Asphalt and KIP.

We are available to address any questions and we look forward to working with the City of Perris in completing this important project.

Respectfully,



Dennis Rice

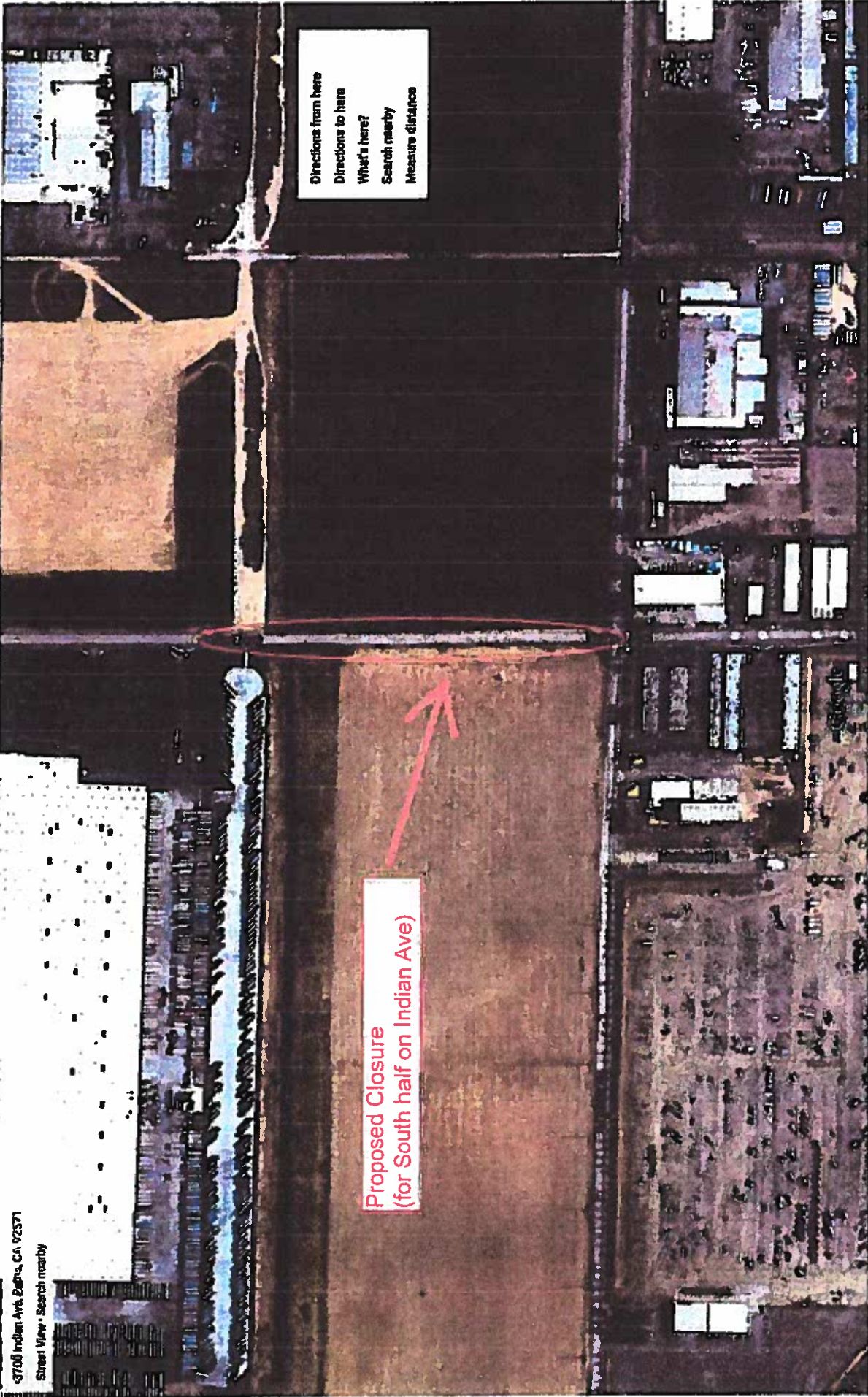
Ridge Development Company

CC: Scott Sanders, Duke Realty
Bob Close, Duke Realty
Adam Schmid, Duke Realty
Gil Saenz, IEDS

3/30/2015

3700 Indian Ave - Google Maps

3700 Indian Ave, Perris, CA 92571
Street View · Search nearby



Proposed Closure
(for South half on Indian Ave)

Directions from here
Directions to here
What's here?
Search nearby
Measure distance

CITY COUNCIL
AGENDA SUBMITTAL

10-1-2015
CLOSURE OF RIDER ST.
CLOSURE OF RIDER ST.
FOR THE ACTIVITIES

Meeting Date: January 13, 2015

SUBJECT: Rider Street Closure
REQUESTED ACTION: Authorize Closure of Rider Street Between Perris Blvd. & Perris Valley Channel.
CONTACT: Habib Motlagh, City Engineer

15 working days
for the activities
RYS more
Jan 27
01-22
5-0

BACKGROUND/DISCUSSION: The construction of Perris Logistics Center located at northwest corner of Rider & Perris Blvd. is underway. The engineering conditions for development of this project require construction of major underground master planned storm drain facilities (Line A-B) along Rider Street that extend from the project site to the Perris Valley Channel. The construction activity of this line is inspected by Riverside County Flood Control and City Engineer Office performing the construction oversight, including the pavement work.

Attached letter dated January 2, 2015 from Ridge Development Company is requesting closure of the road in order to perform the work in safer environment and faster completion. The letter is requesting full closure (Option 1) for a period of 155 working days or 31 weeks.

City staff is however recommending (Option 2) with 3 separate partial closures that will keep part of the road open at various stage but extend the anticipated construction completion to 195 working days or 39 weeks.

Regardless of the option approved by the Council, the following additional comments shall be required before start of construction:

- Minimum of 5 working days prior to start of construction, adequate signage shall be installed including flashing message signs to advise of the project and road closure.
- Minimum of 5 working days prior to start of closure, the contractor/developer must notify the police, fire, and other emergency services including school districts, CR&R, and the residents along Rider Street within the limits of the closure.
- Prior to closure, the contractor shall post with City a minimum cash deposit in the sum of \$25,000. The Contractor will be penalized \$2,500 for each and every working day keeping the road closed beyond the approved dates excluding rain and reasonable utility delays as determined by City Engineer. Additional penalties assessed @ \$2,500 per day beyond the original 10 days will be charged if needed and deducted from the project's RBBB and/or drainage credit.
- Prior to closure, the Developers shall submit writer verification from EMWD and other utilities confirming their facility relocation schedule.

Major
01-22

Tanya
01-22
NOTIFY
BUSINESS

Ready
01-22
6-1-2015

John - 01-22
BT double the
Lita
01-22

RIA

Mr. Dennis Rice of Ridge Development Company will be present at the meeting to discuss his letter and to respond to questions.

BUDGET (or FISCAL) IMPACT: All costs associated with the construction is paid by the applicant. Future drainage fee credit and reimbursement agreement will be considered by Council to offset the cost of construction of Line A-B.

Reviewed by:

City Attorney
Assistant City Manager

Attachments: Ridge Development Company Letter Dated December 2, 2014

Consent:

Public Hearing:

Business Item: Yes

Other:

CITY COUNCIL
AGENDA SUBMITTAL

Meeting Date: April 28, 2015


SUBJECT: Amended Freeway Maintenance Agreement

REQUESTED ACTION: Approve the Amendment; and Authorize the City Manager to Sign This and Future Amendments

CONTACT: Habib Motlagh^{ak} City Engineer

BACKGROUND/DISCUSSION: The City of Perris City Council at their meeting of January 8, 2012 approved the freeway agreement and formally adopted by Caltrans on September 30, 2013. The proposed amendment include the recent improvements such as lighting on 4th Street and Perris Boulevard bridges (see Exhibit C of the Agreement).

BUDGET (or FISCAL) IMPACT: Maintenance cost of the above varies from year to year with initial estimate at \$1,500 per year.

Reviewed by:
City Attorney
Assistant City Manager 

Attachments: Freeway Maintenance Agreement Amendment to Exhibit "C"
Staff Report dated January 8, 2012

Consent: Yes
Public Hearing:
Business Item:
Other:

**FREEWAY MAINTENANCE
AGREEMENT
WITH
CITY OF PERRIS
AMENDMENT TO EXHIBIT "C"**

WHEREAS, State of California, acting by and through its Department of Transportation, herein referred to as "STATE" and the City of Perris, hereinafter referred to as "CITY", and collectively referred to as "PARTIES" on September 30th, 2013 entered into the attached Freeway Maintenance Agreement; and

WHEREAS, according to Article 4 of said Freeway Maintenance Agreement dated September 30th, 2013 "if there is mutual agreement on the change in the maintenance duties between PARTIES, the PARTIES can revise Exhibit C by a mutual written execution of Exhibit A and C."

NOW THEREFORE, IT IS AGREED:

PARTIES reached mutual agreement to revise Exhibit C, and

The CITY will assume the maintenance responsibilities on individual infrastructure items as provided in the revised Exhibit C attached and made part of this Agreement by reference as long as it is not in conflict with the terms of said agreement dated September 30th, 2013. In case of a conflict, the terms of this agreement shall prevail.

All other conditions remain unchanged in said Freeway Maintenance Agreement dated September 30, 2013.

CITY OF PERRIS

STATE OF CALIFORNIA
DEPARTMENT OF TRANSPORTATION

BY: _____
Title:

BY: _____
Deputy District Director
Maintenance Division

DATE: _____

DATE: _____

EXHIBIT "C"
ADDITIONAL NON-STANDARD FEATURES
TO BE
MAINTAINED BY CITY

Exhibit C includes:

- C-1 Redlands Ave – modified lighting and sign illumination**
- C-2 Perris Bridge Luminaire details**
- C-3 Perris Bridge Luminaire Details continued**
- C-4 Perris Bridge Barrier Rail details**
- C-5 Perris Bridge Luminaire details continued**
- C-6 Index to Retain Walls and Sound Walls**
- C-7 Mural Panels details**
- C-8**

CITY COUNCIL
AGENDA SUBMITTAL

Meeting Date: January 8, 2012

SUBJECT: Freeway Maintenance Agreement by and between the City of Perris and Caltrans

REQUESTED ACTION: Authorize the Mayor to Sign the Freeway Maintenance Agreement

CONTACT: Habib Motlagh  City Engineer

BACKGROUND/DISCUSSION: In recent and upcoming years, the City of Perris has seen and will continue to see upgrades to the 4th St, Ramona Expressway, Ethanac Rd, Perris Blvd, and D St interchanges and overcrossings over the I-215 freeway. Some of these upgrades include added features both aesthetic (landscaping, monuments and functional (street lighting, signals) in nature.

It is therefore necessary that Caltrans and the City update the current Freeway Maintenance Agreement, which was last updated November 13, 1995, to include these new interchanges and their additional features. The Freeway Maintenance Agreement that is attached to this agenda submittal has been reviewed, negotiated, and approved by the City Engineer and City Attorney (in form). Upon execution, this Freeway Maintenance Agreement will replace the existing Freeway Maintenance Agreement from 1995, which covers all state-owned freeway (I-215) within City Limits. Some features such as electrical and landscaping improvements (lighting, signals) require separate agreements on a case-by-case basis for each instance and are treated as an addendum to the Freeway Maintenance Agreement. The agreement as written is more or less the same format adopted by State and used throughout the State of California. Staff recommendation is that Council authorize the Mayor to execute the Freeway Maintenance Agreement.

BUDGET (or FISCAL) IMPACT: No fiscal impact is anticipated aside from the City accepting maintenance responsibility of certain City-requested aesthetic features included in the I-215 Widening Central project, which recently commenced construction. Maintenance would include graffiti removal and aesthetic damage repair on an as-needed basis to 11 concrete retaining wall murals and other monuments and landscaping above the normal requested by City.

Reviewed by:

City Attorney
Assistant City Manager 

Attachments: Freeway Maintenance Agreement

Consent: Yes
Public Hearing:
Business Item:
Other:


CITY COUNCIL AGENDA SUBMITTAL
April 28, 2015

SUBJECT: Approval of the FY 2015-2016 Annual Action Plan Funding Recommendations for the Community Development Block Grant (CDBG) Program

REQUESTED ACTION:

That the City Council, after hearing all public comments, discussion and any amendments, adopt the attached resolution establishing:

1. Adopt Resolution No. XXX approving the City's CDBG Consolidated Plan 2015-2016 Second Program Year Annual Action Plan.;
2. Accept the allocation of Fiscal Year 2015-2016 CDBG funds from the U.S. Department of Housing and Urban Development (HUD);
3. Authorize the City Manager to execute appropriate certifications and documents necessary for submission of the Action Plan; and
4. Direct the City Manager to submit the 2015-2016 Action Plan to HUD and to amend any documents necessary to administer the Fiscal Year 2015-2016 CDBG Program.

CONTACT: Darren Madkin, Deputy City Manager 

BACKGROUND/DISCUSSION:

The City of Perris currently receives Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD). The primary purpose of CDBG funds is to benefit persons who earn less than 80% of the area median income (AMI) or reside in an eligible area.

As part of the process to receive entitlement funds, the City is required to have a Consolidated Plan and an Annual Action Plan. The purpose of the Consolidated Plan is to identify community development and housing needs and outline goals and objectives to meet those needs. The Annual Action Plan is the yearly document that details what activities the City will undertake and the amount of funding to be expended on the activities during the current CDBG fiscal year. The City Council adopted its second Five-Year Consolidated Plan (2014-2019) with its first Annual Action Plan (FY 2014-2015) on May 6, 2014.

On February 11, 2015, HUD staff announced the Fiscal Year 2015 allocations. The FY 2015-2016 allocation for the City of Perris is \$ 925,247.

Proposed Action Plan Allocations for the CDBG Program

The primary purposes of CDBG funds are to: 1) provide decent housing; 2) provide a suitable living environment; and, 3) expand economic opportunities, principally for low-to-moderate income

persons. In accordance with the CDBG national objectives, an activity must meet one of three objectives: 1) serve low-moderate income persons; 2) aid in the elimination of slum and blight; or 3) address recent, urgent health or welfare needs (e.g., natural disaster). An activity may be eligible because it either benefits an area (activity serves a census tract which has 51% or more low-moderate income persons) or a limited clientele (persons and families with low-to-moderate income).

The following is a breakdown of CDBG-eligible funding categories for FY 2015-2016:

CDBG CATEGORY	CAP	AMOUNT
Public Service	(15 % cap)	\$138,787.05
Non-Public Service Activities	(No cap)	\$601,410.55
Administration	(20 % cap)	\$185,049.40
Total Available CDBG Funds		\$925,247.00

Administration

A total of \$185,049.40 (20% cap) is available for Administration of Entitlement Programs, including general management, oversight, coordination and monitoring of programs.

Public Service Category

A total of \$138,787.05 is available for public service activities. The City received three (3) requests from City departments for public service funds, as well as five (5) requests from private non-profit agencies. Two (2) of the applications from private non-profit agencies did not meet HUD eligibility criteria and could not be considered for funding. All eligible applications were evaluated on criteria based on needs identified during development of the five-year Consolidated Plan. Staff recommends funding for the three (3) City Department applicants and three (3) of the three (3) eligible private non-profit agency applicants. The private non-profit programs recommended for funding are: Fair Housing Council of Riverside (Housing Services), Perris Valley Youth Association Sports (Youth Mentoring/Athletic Scholarships), and Path of Life Ministries (Homeless Outreach).

Non-Public Service Category

A total of \$601,410.55 is available for non-public service activities. The City received three (3) funding requests from City departments to carry out eligible non-public service activities. The City received one (1) request from a private non-profit agency. The private non-profit applicant submitted a request for a project that is already being carried out by the City. One of the City department requests did not meet HUD eligibility criteria and could not be considered for funding. The City department requests included funding for Lead Based Paint Abatement, a Public Works Park Improvement Project, and Residential Tract Wall Replacement Project. CDBG-eligible activities for non-public service include: housing rehabilitation, housing services, public facility/infrastructure improvements, historic preservation, code enforcement, ADA improvements and economic development.

Under the direction of the City Council, staff is authorized to bring applications for funding to the Council before final allocations are approved and the Annual Action Plan is adopted and submitted to HUD. Preliminary funding recommendations were approved by Council on March 31, 2015. It is requested that Council approve the City's CDBG Consolidated Plan 2015-2016 Annual Action plan

and funding recommendations based on the projected FY 2015-2016 CDBG Entitlement amount of \$925,247. These final allocations will be submitted to HUD through the Annual Action Plan by May 17, 2015 as mandated by federal regulation.

In conformance with the strategy outlined by the Five Year Consolidated Plan, proposed allocations for the 2015-2016 Annual Action Plan are as follows:

2015-2016 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM

Estimated 2015/2016 CDBG Grant: \$925,247
 Estimated Carry-over/Unallocated Funds: \$0
Total Estimated Funding: \$925,247

CDBG Allowable Distribution of Funds

Public Services (15% of new grant): \$138,787.05
 Planning/Administration (20% of new grant): \$185,049.40
 Non-Public Services (Other Eligible Activities): \$601,410.55
 Estimated Carry-over/Unallocated Funds: \$0
Total Estimated Funding: \$925,247.00

2015-2016 Funding Recommendation Summary

Administration	
CDBG Administration	\$185,049.40
Public Service Allocations	
Youth Advisory Committee (YAC) Leadership Academy	\$13,504.05
Perris Employment Program	\$14,580.00
Perris Cultural Arts Program	\$12,703.00
Homeless Outreach	\$36,000.00
Fair Housing Services	\$26,000.00
Youth Mentoring Program	\$36,000.00
TOTAL PUBLIC SERVICE ALLOCATIONS	\$138,787.05
Non-Public Service Allocations	
Lead Based Paint Abatement Program	\$150,000.00
Patriot Park Improvement Program	\$451,411.55
TOTAL NON-PUBLIC SERVICE ALLOCATIONS	\$601,411.55
TOTAL ESTIMATED CDBG ALLOCATIONS	\$925,247.00

PUBLIC NOTICE: Notice was published on March 25, 2015, in the Perris Progress Newspaper (consistent with the City’s Citizen Participation Plan) regarding the Action Plan Development and planned Council Meetings to provide citizens with an opportunity to comment on the Draft Annual Action Plan prior to adoption of the plan.

BUDGET (or FISCAL) IMPACT: The fiscal impact to the FY 2015-2016 City Operating Budget is an increase in revenue of \$925,247.00

Prepared by: Sara Cortés de Pavón, RDA Project Coordinator *SP*
 Reviewed by: Sabrina Chavez, Asst. Dir. of Housing & Community Services
 Reviewed by: Ron Carr, Assistant City Manager *RC*
 Attachments: 1. Resolution

Attachment #1

RESOLUTION NO. 2015-

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS,
APPROVING THE FY 2015-2016 ACTION PLAN WITH PROPOSED
FUNDING FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT
(CDBG) FEDERAL ENTITLEMENT PROGRAM**

WHEREAS, the City of Perris, pursuant to Federal regulations, and has solicited public input on the FY 2015-2016 Action Plan with proposed funding; and

WHEREAS, the City of Perris, after due consideration and review, has complied with the necessary Federal, State and local regulations and requirements; and

WHEREAS, On March 31, 2015, the City Council considered community development and housing needs and approved preliminary CDBG funding recommendations for the FY 2015-2016 Action Plan; and

WHEREAS, on April 28, 2015, the City Council held a public hearing to solicit public input on the FY 2015-2016 Action Plan.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Perris, as follows:

SECTION 1. That the City Council approves the recommended funding amounts for projects funded under the Federal CDBG Entitlement Program as indicated in Exhibit A.

SECTION 2. That the City Council hereby authorizes adding the recommended funding amounts to the Draft Action Plan to be submitted to the Department of Housing and Urban Development (HUD) for FY 2015-16 for the Federal Entitlement Program.

SECTION 3. That the City Council authorizes the City Manager, or his designee, to execute all documents related to the Fiscal Year 2015-16 CDBG Entitlement Program.

SECTION 4. That the City Clerk shall attest and certify to the passage of this resolution and it shall thereupon take effect and be in full force.

PASSED, APPROVED, AND ADOPTED ON April 28, 2015, BY THE FOLLOWING VOTE:

MAYOR, DARYL R. BUSCH

ATTEST:

City Clerk, Nancy Salazar

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, Nancy Salazar, City Clerk of the City of Perris, do hereby certify that the foregoing Resolution Number 15-_____ was duly adopted by the City Council of the City of Perris at a regular meeting thereof held on the 28th day of April 2015, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

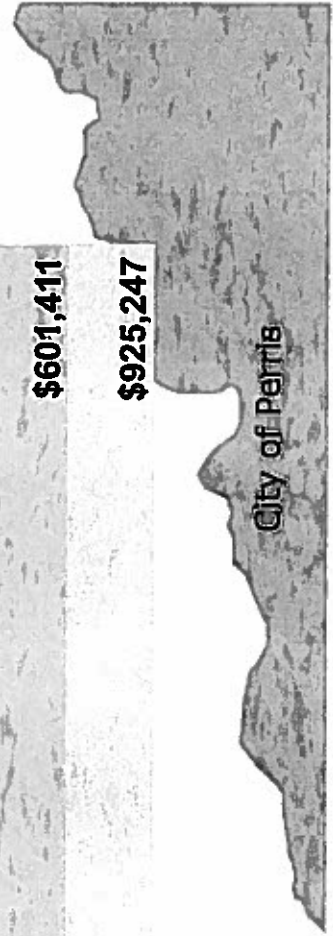
City Clerk, Nancy Salazar

Resolution Exhibits:

Exhibit A: Proposed CDBG Allocations

Proposed CDBG Funding

Administration		
CDBG Administration		\$185,049
Public Service Allocations		
Youth Advisory Committee	(YAC):	\$13,504
Leadership Program		
Perris Employment Program		\$14,580
Perris Cultural Arts Program		\$12,703
Homeless Outreach		\$36,000
Fair Housing Services		\$26,000
Youth Mentoring Program		\$36,000
TOTAL PUBLIC SERVICE ALLOCATIONS		\$138,787
Non-Public Service Allocations		
Lead Based Paint Program		\$150,000
Patriot Park Community Building		\$451,411
TOTAL NON-PUBLIC SERVICE ALLOCATIONS		\$601,411
TOTAL ESTIMATED CDBG ALLOCATIONS		\$925,247



SUCCESSOR AGENCY TO REDEVELOPMENT AGENCY OF THE CITY OF PERRIS

AGENDA SUBMITTAL

Meeting Date: April 28, 2015

SUBJECT: Enter into Agreements Successor Agency to pledge property taxes constituting former tax increment to new bonds to be sold by new CFD 2014-2 in a similar manner to the pledge in the 91-1 CFD in connection with refinancing the 91-1 Bonds

REQUESTED ACTION: Waive Reading and Adopt the following Resolutions:

RESOLUTION OF THE SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF PERRIS APPROVING AN AMENDED PLEDGE AGREEMENT WITH THE CITY IN CONNECTION WITH THE REFUNDING OF THE OUTSTANDING COMMUNITY FACILITIES DISTRICT NO. 91-1 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS 1991 SPECIAL TAX BONDS

CONTACT: Eric Dunn, City Attorney

BACKGROUND/DISCUSSION:

In 1991, the City Council formed Community Facilities District 91-1 (Perris Valley Spectrum) of the City of Perris ("CFD 91-1"), for the purpose of financing facilities and incidental expenses within the District. The City levies a special tax annually in CFD 91-1 to pay for principal, interest and other permitted costs in connection with the CFD 91-1 1991 Special Tax Bonds currently outstanding in the principal amount of \$3,350,000 ("1991 Bonds"). The special tax formula (under which special taxes are levied in the 91-1 District) requiring undeveloped property to pay for public improvements at the same rate as developed property and the high interest rates of the 1991 Bonds have resulted in high delinquencies within the District. To address the delinquency and interest rate issues, the course of action is a refinance plan whereby the City has formed a new community facilities district within the same area of the CFD 91-1 to apportion the special taxes in a manner that spurs further development within the area and desires, following an election, issue a new series of bonds at current prevailing interest rates to pay off the 1991 Bonds. The new special tax formula contemplates that parcels will not be charged higher than the special taxes they are currently paying within the 91-1 District. The new district formed by the city in January is called Community Facilities District NO. 2014-2 (Perris Valley Spectrum) of the City of Perris. An election on April 14, 2015 will determine if the property owners agree to the new tax formula and the refinancing. The city is undertaking this process by its own accord in order to try to spur development within the 91-1 District and to eliminate some of the issues associated with the high delinquencies in the 91-1 District.

Under the special tax formula for the CFD 91-1, there was a contribution from the former Redevelopment Agency from tax increment revenues in the Central Perris and North Perris Redevelopment Project Area to the special taxes and hence, debt service on the 91-1 Bonds. The new tax formula for CFD 2014-2 contemplates a similar contribution from tax increment to the 2014 Bonds. Due to the dissolution of redevelopment agencies in 2011, the Successor Agency is the duly authorized successor to the former redevelopment agency to enter into such an agreement. The Agreement is called Agreement between the City of Perris for CFD No. 2014-2 and CFD No. 91-1 and the Successor Agency to the Redevelopment Agency of the City of Perris and is approved in the resolution.. The Agreement is only implemented upon the refinancing. The Agreement is entered into under the authority of Health and Safety Code

Section 34177.5(a)(3) which allows for refinancing of outstanding obligations of the Redevelopment Agency by amending those agreements in connection with a refinancing of bonds which are secured by the agreements. In order to effect savings to the Redevelopment Agency, the Successor Agency and the CFD 2014-2 have agreed to allow the subtraction of \$1 over the amount that would have been required to be paid under the agreement in 1991 and have agreed to subordinate the agreement to outstanding debt. Once this agreement is approved by the Successor Agency, it will be sent to the Oversight Board and Department of Finance for approval as required by the Dissolution Law. A similar resolution was adopted last October and sent to the Oversight Board on two occasions, and both times were rejected by the Department of Finance. We have been working with finance to fix their problems with the resolutions but they have refused to review resolutions beforehand. Therefore we have significantly changed the resolution for approval to eliminate items related to approving the CFD Bonds. The DOF action refusing the prior approvals is attached.

BUDGET / FISCAL IMPACT:

Costs associated with the creation of the District, issuance of bonds, collection of any special taxes, and/or other incidental expenses with respect to the District are to be paid through the proposed financing.

Prepared by:
City Attorney:
Asst. City Manager: *PC*

Attachments: 1 Resolutions and Attachments, DOF Letter
Business: April 30, 2015

RESOLUTION NO. _____

RESOLUTION OF THE SUCCESSOR AGENCY TO THE FORMER REDEVELOPMENT AGENCY OF THE CITY OF PERRIS APPROVING AN AMENDED PLEDGE AGREEMENT WITH THE CITY IN CONNECTION WITH THE REFUNDING OF THE OUTSTANDING COMMUNITY FACILITIES DISTRICT NO. 91-1 (PERRIS VALLEY SPECTRUM) OF THE CITY OF PERRIS 1991 SPECIAL TAX BONDS

WHEREAS, the City Council (the "Council") of the City of Perris (the "City") has previously formed Community Facilities District No. 91-1 (Perris Valley Spectrum) of the City of Perris ("1991 District") by adoption of Resolution No. 1913 on January 28, 1991 pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Section 53311 of the Government Code of the State of California (the "Act"); and

WHEREAS, pursuant to a special tax election and a Notice of Special Tax Lien recorded as Document No. 61694, in the Recorder's Office of the County of Riverside, the City levies a special tax annually in 1991 District, to pay for principal and interest and other permitted costs in connection with the outstanding Community Facilities District No 91-1 (Perris Valley Spectrum) of the City of Perris 1991 Special Tax Bonds ("1991 Bonds"); and

WHEREAS, the former Redevelopment Agency of the City of Perris (the "RDA") was a redevelopment agency duly constituted pursuant to California Health and Safety Code Section 33000, et. seq. (the "Redevelopment Law"); and

WHEREAS, the RDA contributed certain tax increment revenues within the area of CFD 91-1 to the payment of the 1991 Bonds pursuant to an agreement (the "Original Pledge Agreement") wherein the RDA agreed to contribute certain tax increment revenues ("1991 Contribution") from the Central Perris and North Perris Redevelopment Project (the "Redevelopment Project") to the payment of 1991 Bonds pursuant to the Community Redevelopment Law, constituting Section 33000 et seq. of the California Health and Safety Code; and

WHEREAS, in order to refinance the 1991 Bonds, the City Council has formed Community Facilities District 2014-2 (Perris Valley Spectrum) of the City of Perris (the "District") and has authorized the issuance of not to exceed \$3,500,000 of its Community Facilities District 2014-2 (Perris Valley Spectrum) of the City of Perris Special Tax Refunding Bonds, 2015 Series (the "2014 Refunding Bonds") to pay off and refund the 1991 Bonds;

WHEREAS, there are \$3,350,000 of the 1991 Bonds outstanding; and

WHEREAS, the City desires to refund the 1991 Bonds; and

WHEREAS, the RDA has been dissolved pursuant to California Assembly Bill No. 26 (“AB1X 26”) enacted on June 29, 2011, which dissolved all redevelopment agencies in existence in the State of California as of February 1, 2012, and designated “successor agencies” and “oversight boards” to satisfy “enforceable obligations” of the former redevelopment agencies and administer dissolution and wind down of the former redevelopment agencies, and AB1X26 was amended by Assembly Bill No. 1484, a follow on bill to AB1X 26, to provide a mechanism to refund certain bonds or indebtedness under certain circumstances. The City of Perris is the successor agency to the dissolved RDA (“Successor Agency”); and

WHEREAS, The Original Pledge Agreement is a recognized “enforceable obligation” on the Recognized Obligation Payment Schedule of the Successor Agency; and

WHEREAS, Section 34177.5(a)(3) of the Health and Safety Code provides that the successor agency shall “[f]or the purpose of amending an existing enforceable obligation under which the successor agency is obligated ... to pay all or a portion of the debt service on the bond or other obligation of the political subdivision to provide savings to the successor agency, provided that (A) the enforceable obligation is amended in connection with a refunding of the bonds or other obligations of the political subdivision so that the enforceable obligation will apply to the refunding bonds or other refunding indebtedness of the political subdivision, (B) the total interest cost to maturity on the refunding bonds or other indebtedness plus the principal amount of the refunding bonds or other indebtedness shall not exceed the total remaining interest cost to maturity on the bonds or other indebtedness to be refunded plus the remaining principal of the bonds or other indebtedness to be refunded, and (C) the principal amount of the refunding bonds or other indebtedness shall not exceed the amount required to defease the refunded bonds or other indebtedness, to establish customary debt service reserves and to pay related costs of issuance” (the “Refunding Test”); and

WHEREAS, attached hereto as Exhibit A is the amendment of the Original Pledge Agreement (the “Amended Agreement”), and is by and between the City and the Successor Agency and the City; and

WHEREAS, the Amended Agreement is to be implemented solely upon the refunding of the 1991 Bonds; and

WHEREAS, Section 34177(a)(1) of the Health and Safety Code provides that that the Successor may issue bonds or incur other indebtedness to refund the bonds or other indebtedness of its former redevelopment agency or of the successor agency to provide savings to the successor agency, provided that the refunding test is met; and

WHEREAS, the issuance of the 2014 Refunding Bonds requires the Agency to amend its enforceable obligation; and

WHEREAS, debt service on the Refunding Bonds shall be in an amount that satisfies the Refunding Test, which is a requirement by the City for the issuance of the Refunding Bonds, and the successor agency shall also receive savings in the amount of \$1 per year; and

WHEREAS, the projected debt service schedule under the Amended Agreement is attached hereto as Exhibit B illustrating the savings projected to the Successor Agency under the Agreement to the 1991 Agreement upon implementation thereof; and

NOW, THEREFORE, THE CITY OF PERRIS, AS SUCCESSOR AGENCY DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The above recitals have been provided to the Successor Agency by the City to describe the transaction and are incorporated herein by this reference.

Section 2. The Successor Agency is authorized to undertake this transaction pursuant to Section 34177.5(a)(3) in order to amend the Original Pledge Agreement to apply to the bonds to refund the 1991 Bonds.

Section 3. The Successor Agency approves of the Amended Agreement in the form of the agreement attached hereto as Exhibit B and by this reference incorporated herein. The Chair (Mayor), Vice Chair (Mayor Pro Tem), Treasurer (Finance Director), and Executive Director (City Manager) of the Successor Agency (the "Designated Officers"), each acting alone, are hereby authorized and directed to execute, the Amended Agreement in said form, together with such additions thereto or changes therein as the Designated Officer executing the Amended Agreement, upon consultation with Bond Counsel, shall deem necessary, desirable or appropriate, and the execution of the Agreement by a Designated Officer shall be conclusive evidence of the approval of any such additions and changes. The Agreement shall only be implemented upon the refunding of the 1991 Bonds.

Section 4. The Amended Agreement shall be implemented solely upon a refunding of the 1991 Bonds and therefore meets the test required pursuant to Section 9 of the Original Pledge Agreement. The Original Pledge Agreement shall remain in effect until the refunding.

Section 5. Upon approval by the Successor Agency, the Successor Agency hereby directs the Executive Director of the Successor Agency and other appropriate officers and employees of the Successor Agency to submit or cause to be submitted this approval to the Oversight Board and the State Department of Finance for consideration at the earliest practical opportunity, and to further forward items submitted to the Oversight Board to the administrative officer and auditor-controller of the County of Riverside as required by law.

Section 6. All actions heretofore taken by the officers and agents of the Successor Agency with respect to the Agreement are hereby approved, confirmed and ratified. The Designated Officers of the Successor Agency and the Secretary and any and all other officers of the Successor Agency are hereby authorized and directed, for and in the name and on behalf of the Successor Agency, to do any and all things and take any and all actions, including applying for bond insurance, reserve fund insurance policies, execution and delivery of any and all assignments, certificates, and a final and conclusive determination with respect to the Amended Agreement, and other documents, which they, or any of them, may deem necessary or advisable in order to consummate the Amended Agreement and implement the pledge and purpose of such agreement.

Section 7. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Successor Agency declares that the Successor Agency would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

Section 8. Effective Date. This Resolution shall take effect immediately upon its passage.

ADOPTED, SIGNED and APPROVED this 28th day of April, 2015.

MAYOR OF THE CITY OF PERRIS

Attest:

City Clerk

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE)
CITY OF PERRIS)

I, Nancy Salazar, Secretary of the Successor Agency, DO HEREBY CERTIFY that the foregoing Resolution Number _____ was duly adopted by the Successor Agency at a regular meeting of said Council on the 28th day of April, 2015, and that it was so adopted by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

By: _____
City Clerk

EXHIBIT A

2014 Pledge Agreement

[See Attached]

**AMENDED AGREEMENT AMONG
CITY OF PERRIS FOR COMMUNITY FACILITIES DISTRICT NO. 2014-2,
COMMUNITY FACILITIES DISTRICT NO. 91-1 AND THE
SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY
OF THE CITY OF PERRIS**

THIS AMENDED AGREEMENT ("Agreement"), dated____, is made and entered into by and between the City of Perris (the "City") on behalf of Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris, as described below (the "CFD 2014-2") and Community Facilities District No. 91-1 (Perris Valley Spectrum) of the City of Perris (CFD "91-1"), and the Successor Agency to the Dissolved Redevelopment Agency of the City of Perris (the "RDA"), a successor agency duly existing under the law (the "Successor Agency"). This Agreement amends the 1991 Pledge Agreement (as defined below) and is to be implemented solely upon a refunding of the 1991 Bonds (as described below).

RECITALS

A. The City of Perris, by its adoption of Resolution No. 1913 adopted January 28, 1991 (the "Resolution of Formation") established Community Facilities District No. 91-1 (Perris Valley Spectrum) of the City of Perris (the "1991 District) pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Section 53311 of the California Government Code (the "Act").

B. The City Council, by its Resolution No. 1932 adopted March 11, 1991, completed proceedings for the authorization of bonded indebtedness on behalf of the CFD 91-1 in an aggregate principal amount not to exceed \$9,000,000 to finance the costs of construction of certain public facilities (the "Public Facilities"). The Resolution of Formation and ensuing election authorized the levy of a special tax (the "1991 Special Tax") on property within the 1991 District to pay debt service on such bonded indebtedness and to pay certain administrative expenses and other costs of the 1991 District.

C. Pursuant to such authorization, the District issued \$8,010,000 aggregate principal amount of its 1991 Special Tax Bonds (the "1991 Bonds") pursuant to the terms of an Administration Agreement dated as of April 1, 1991 (the "Administration Agreement"), by and between the District and Security Pacific National Bank, as fiscal agent, as succeeded by successor fiscal agents, including U. S, Bank National Association, of which \$3,350,000 remains outstanding.

D. In connection with the 1991 District, the City, and the RDA entered into an agreement (the "1991 Pledge Agreement") wherein the RDA agreed to contribute certain tax increment revenues from the Central Perris and North Perris Redevelopment Project (the "1991 Contribution) to the payment of 1991 Bonds pursuant to the Community Redevelopment Law, constituting Section 33000 et seq. of the California Health and Safety Code (the "Redevelopment Law").

E. The RDA has been dissolved pursuant to California Assembly Bill No. 26

("ABIX 26") enacted on June 29, 2011, which law dissolved all redevelopment agencies in existence in the State of California as of February 1, 2012, and designated "successor agencies" and "oversight boards" to satisfy "enforceable obligations" of the former redevelopment agencies and administer dissolution and wind down of the former redevelopment agencies, and ABIX26 was amended by Assembly Bill No. 1484, a follow on bill to ABIX 26, to provide a mechanism to refund certain bonds or indebtedness under certain circumstances (collectively, AB IX 26 and AB 1484 are referred to herein as the "Dissolution Law"). The Successor Agency is the successor agency to the dissolved RDA.

F. The 1991 Pledge Agreement is a recognized "enforceable obligation" on the Recognized Obligation Payment Schedule of the Successor Agency, as permitted under the Dissolution Law.

G. Due to high delinquencies in the 1991 District, and the high interest rates of the 1991 Bonds, the City, on behalf of the 1991 District, desires to refinance the 1991 District. The City has determined that it is in the best interests of the CFD 91-1 and the bondholders of the 1991 Bonds to refinance the 1991 District by forming a new district to be entitled "Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris" (the "CFD 2014-2") and has authorized the issuance of bonds, loans or other indebtedness of the CFD 2014-2 to refinance the 1991 Bonds (the "Refunding Bonds"). The boundaries of the CFD 2014-2 are identical to the boundaries of the 1991 District.

H. The City has requested that the Successor Agency enter this Agreement in order to memorialize the contribution of former tax increment to the Refunding Bonds in a similar manner to the 1991 Contribution, such that this Agreement is an amendment to the 1991 Agreement and is to be implemented solely on a refunding of the 1991 Bonds.

I. The Successor Agency intends to subordinate the contribution to all outstanding and future bond issues of the Successor Agency and/or former RDA and all pass through payments to taxing entities in the project area.

J. The 1991 Contribution received by the 1991 District constituted indebtedness received by the RDA pursuant to Section 33670 et. seq. of the California Health and Safety Code under the 1991 Pledge Agreement.

K. The Successor Agency adopted Resolution No. ___ on ____, approving this Agreement. The Oversight Board adopted Resolution No. ___ approving this action. The Department of Finance approved of this action on _____.

AGREEMENT

NOW THEREFORE, in consideration of the mutual promises and covenants set forth below, the parties hereto agree as follows:

1. Recitals. The Recitals to this Agreement are true and correct and incorporated herein by

this reference.

2. **Definitions.** The following terms shall be given the meaning set forth below.

“Available Tax Increment Revenues” means: for each July 1-June 30 (“Agency Fiscal Year”) the total ad valorem tax revenues generated within the Site in an Agency Fiscal Year, which revenues are allocated to and actually received by Successor Agency for such Successor Agency Fiscal Year pursuant to Section 33670(b) of the California Health and Safety Code, minus the amount of such revenues set aside pursuant to sections 33334.2 and 33334.3 of said Redevelopment Law for low and moderate-income housing purposes, and minus such amounts as may be allocated or required to be paid to or for the benefit of the County of Riverside and any other taxing entities pursuant to an agreement entered into pursuant to former Health and Safety Code Section 33401. In the event Available Tax Increment Revenues decrease or are eliminated, then for purposes of this Agreement, the Available Tax Increment Revenues shall be deemed to mean the form of tax or revenue which the Successor Agency receives in total or partial replacement of such Available Tax Increment Revenues, including funds constituting Available Tax Increment Revenues under the Dissolution Law deposited from time to time in the Redevelopment Property Tax Trust Fund established pursuant to Health and Safety Code Section 34170.5(a) of the Law and administered by the auditor controller of the County of Riverside, constituting part of the Dissolution Law.

“Fiscal Agent Agreement” means the indenture, fiscal agent or agreement providing for the issuance of the Refunding Bonds by and between the CFD 2014-2 and a trustee or fiscal agent.

“Recognized Obligation Payment Schedule” means a Recognized Obligation Payment Schedule, each prepared and approved from time to time pursuant to subdivision (l) of Section 34177 of the Law.

“Site” shall mean the area of the CFD 2014-2.

“Special Tax” shall mean the Special Tax levied within the CFD 2014-2 on property owners pursuant to the rate and method of apportionment adopted for the CFD 2014-2 and levied pursuant to an ordinance, resolution or other authorization and the notice of special tax lien recorded for the CFD 2014-2.

“Special Tax Fund” means the fund of that name described in the Fiscal Agent Agreement for the Refunding Bonds.

“CFD 2014-2” means Community Facilities District No. 2014-2 (Perris Valley Spectrum) of the City of Perris.

“Refunding Bonds” means Community Facilities District No. 2014-3(Perris Valley Spectrum) of the City of Perris Special Tax Refunding Bonds, 2015 Series, which are the special tax bonds issued by the CFD 2014-2 to refund and/or prepay the outstanding 1991 Bonds.

3. **Purposes.** This Agreement establishes a binding obligation on the part of the Successor Agency to pay to the City for CFD 2014-2 its Available Tax Increment Revenue for the payment of debt service on the Refunding Bonds.

4. Available Tax Revenues to Offset Special Tax. Subject to Section 11 hereof, the Successor Agency has agreed that the Successor Agency shall pay Available Tax Revenue to offset the Special Tax to be levied in the CFD 2014-2 on the following basis:
 - (a) Upon the receipt by the Successor Agency of Available Tax Revenue in each fiscal year, the Successor Agency agrees to pay to the City for deposit by the City in the Special Tax Fund established in the Fiscal Agent Agreement, that amount of Available Tax Increment Revenue realized from the District. Moneys paid to the City are to be directed for deposit to the Special Tax Fund established by the Fiscal Agent Agreement and will be used for the purposes of such fund. The Successor Agency shall only pay such Available Tax Revenue to the City which is necessary for payment of debt service on the Refunding Bonds. The City and the Successor Agency agree that any excess Available Tax Increment Revenue shall be used by the Successor Agency for any lawful purpose and as permitted by the Dissolution Law.
 - (b) Annually, on or before July 1, Successor Agency will provide CFD 2014-2 with a report of an Independent Financial Consultant certifying the amount to be received by the Successor Agency in the ensuing Fiscal Year. The CFD 2014-2 will determine from such Report and Certificate the amount of off-set of the Special Tax to be levied within the CFD 2014-2 for the ensuing fiscal year.
7. Indebtedness to Successor Agency. This Agreement constitutes an indebtedness of the Successor Agency incurred in carrying out the Redevelopment Plan and pursuant to Health and Safety Code Section 34177.5(a); provided, however, that such payment of Available Tax Increment Revenues shall be subordinate to any payments to be paid by the Successor Agency pursuant to Health and Safety Code Sections 33607.5 and 33607.7, pass through agreements currently existing between the Successor Agency and other taxing entities and any currently outstanding bonded indebtedness of the RDA or future indebtedness of the Successor Agency. Subject to Section 7 hereof, the Successor Agency hereby pledges the Available Tax Increment Revenues to the payment of the Refunding Bonds.
8. Savings. In order to generate the savings required by the Dissolution Law, the Successor Agency may subtract \$1 from any Available Tax Increment Revenues received in any Fiscal Year.
9. Compliance with the Dissolution Law. The Successor Agency covenants that it will comply with all other requirements of the Dissolution Law as it relates to the dissolution of redevelopment agencies. Without limiting the generality of the foregoing, the Successor Agency covenants and agrees to file all required statements and hold all public hearings required under the Dissolution Law to assure compliance by the Successor Agency with its covenants under the Agreement. Further, the Successor Agency will take all actions required under the Dissolution Law to include the Available Tax Increment Revenues pursuant to this Agreement in Recognized Obligation Payment Schedules for each six-month period (or as otherwise may be required by the Dissolution Law) so as to enable the County Auditor-Controller to distribute from the Redevelopment Property Tax Trust Fund to the Successor Agency's Redevelopment Obligation Retirement Fund on each January 2 and June 1 amounts required for the Successor Agency to pay the Available Tax Increment Revenues to the City hereunder for deposit pursuant to the Fiscal Agent Agreement.
10. Term. This Agreement shall remain in effect as long as bonds issued and sold by the CFD 2014-2 remain outstanding and the levy of the Special Tax by the CFD 2014-2 is required.

11. Authority. Each party hereto does hereby represent and warrant to the other party that it has the power and authority to enter into this Agreement, and that each person executing this Agreement on its behalf has been duly authorized so to act for and on behalf of such party. The Successor Agency is entering this Agreement pursuant to Section 9 of the 1991 Pledge Agreement and pursuant to Section 34177.5(a)(1) and/or (3) of the Health and Safety Code. The City and the Successor Agency agree that this Agreement shall not adversely affect the obligations undertaken in the 1991 Pledge Agreement as this Agreement will only be implemented on a refunding of the 1991 Bonds.
12. Amendment to 1991 Pledge Agreement. This Agreement shall constitute and amendment to the 1991 Pledge Agreement upon implementation hereof, which implementation shall be solely upon the issuance of the Refunding Bonds. Until such time, the 1991 Pledge Agreement remains in full force and effect.
13. Incorporation of Provisions Required by Law. Each provision and clause required by law to be inserted into this Agreement shall be deemed to be included herein, and this Agreement shall be read and enforced as though *each* were included herein, it being specifically provided that if through mistake or otherwise any such provision is not inserted or is not correctly inserted, the Agreement shall be amended to make such insertion upon application by any party hereto.
14. Entire Agreement. It is agreed that this Agreement expresses the entire agreement between the parties with regard to the matter hereof, and that no other agreement or understanding, verbal or otherwise, relative to the subject matter hereof exists between the parties at the time of execution, and that this Agreement may be modified or amended only by a written document signed by the duly authorized representative of each and all parties hereto.
15. Notices. Any notices required or permitted to be served by any party upon the other shall *be* addressed to the respective parties as set forth below, or to such other address as shall be designated by proper notice given from time to time by the respective parties hereto:
 - DISTRICTS: Community Facilities District 2014-2 City of Perris
Community Facilities District 91-1 of the City of Perris
101 North "D" Street
Perris, California 92370
 - AGENCY: Successor Agency
101 North "D" Street
Perris, California 92570
16. Amendments. The City and the Successor Agency agree that this agreement shall not be amended in any manner which adversely affects the *Successor Agency's* obligation to pay Available Tax Increment Revenues to the City for the purpose of paying debt service on the Refunding Bonds.
17. Applicable Law. This Agreement is made in the State of California and is to be construed under the laws and the constitution of such State.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year set forth above.

CITY OF PERRIS, on behalf of
Community Facilities District No. 2014-2
(Perris Valley Spectrum of the City of
Perris) and Community Facilities District
No.
91-1 (Perris Valley Spectrum) of the City of
Perris

By _____
Mayor of the City of Perris Ex Officio
the Legislative Bodies

ATTEST:

By _____
City Clerk

SUCCESSOR AGENCY TO THE
REDEVELOPMENT AGENCY OF THE
CITY OF PERRIS

By _____
Chairman

ATTEST:

By _____
Secretary

Exhibit B

Savings

Debt Service Schedules Illustrating Savings to Successor Agency

<u>Fiscal Year (1)</u>	<u>RPTTF Debt Service (1991 Agreement)</u>	<u>RPTTF Debt Service (2014 Agreement)</u>
2015-16	\$221,908	\$221,907
2016-17	\$226,346	\$226,345
2017-18	\$230,873	\$230,872
2018-19	\$235,490	\$235,489
2019-20	\$240,200	\$240,199
2020-21	\$245,004	\$245,003

(1) Fiscal Year 2015-16 estimate is based on the Fiscal 2014-15 County of Riverside Increment of Assessed District Value of \$ Future years' projections are based on an annual 2% inflator