



City of Rialto

Legislation Details (With Text)

File #: CC-19-414 **Version:** 1 **Name:**
Type: Resolution **Status:** Agenda Ready
File created: 4/5/2019 **In control:** City Council
On agenda: 4/23/2019 **Final action:**
Title: Request City Council to Adopt Resolution No. 7501 Appropriating Expenditures of \$67,378.09 for the Costs of Forming a Community Facilities District for the Lytle Creek Ranch Project.
(ACTION)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Budget Resolution for CFD

Date	Ver.	Action By	Action	Result
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For City Council Meeting [April 23, 2019]

TO: Honorable Mayor and City Council

APPROVAL: Sean Grayson, Interim City Administrator

FROM: Robb Steel, Assistant CA/Development Services Director

Request City Council to Adopt **Resolution No. 7501** Appropriating Expenditures of \$67,378.09 for the Costs of Forming a Community Facilities District for the Lytle Creek Ranch Project.
(ACTION)

BACKGROUND:

On July 25, 2017, the City Council approved a Deposit and Reimbursement Agreement with Lytle Development Company ("Lytle"). The City Council concurrently approved professional service agreements and purchase orders with Fieldman, Rolapp and Associates as financial advisor (\$30,000), Aleshire & Wynder for bond counsel services (\$30,000), and Willdan Inc. for special tax consulting services (\$35,000). Under the Deposit and Reimbursement Agreement, Lytle bears all costs associated with the financing and the Initial Deposit required was \$80,000. On December 14, 2017, Lytle deposited \$80,000 with the City. The City may request additional deposits as necessary to pay the incurred expenses.

ANALYSIS/DISCUSSION:

The parties have incurred modest expenditures to date during the early formation stages (\$12,621.91 for FRA). While the revenues were received and expenditures incurred in fiscal year 2017/18, the residual budget was not carried over to fiscal year 2018/19. The attached Budget Resolution appropriates the residual deposit of \$67,378.09 to General Fund Account No. 010-500-4255-3001 to pay the consultant costs associated with the formation of the CFD. Lytle previously deposited monies to pay these costs, and this is simply a budgeting adjustment to authorize expenditure of the

existing funds on deposit.

ENVIRONMENTAL IMPACT:

The requested action is not a "Project" as defined by the California Environmental Quality Act (CEQA). Pursuant to Section 15378(a), a "Project" means the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. According to Section 15378(b), a Project does not include: (5) Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

GENERAL PLAN CONSISTENCY:

This action is consistent with Guiding Principle 3A in the General Plan:

Our City government will lead by example, and will operate in an open, transparent, and responsive manner that meets the needs of the citizens and is a good place to do business.

LEGAL REVIEW:

The City Attorney reviewed and approved the staff report and Budget Resolution.

FINANCIAL IMPACT:

Operating Budget Impact

Funding of \$80,000 was deposited by Lytle to Account No. 010-400-4255-7598 in FY18. The City expended \$12,621.91 of this for consulting services related to the CFD, leaving a carry forward amount of \$67,378.09. The Budget Resolution attached hereto increases the budget for 010-500-4255-2011-Lytd1 to authorize expenditures of \$67,378.09 toward the authorized consultants.

Capital Improvement Budget Impact

This does not have an impact upon the Capital Improvement Budget.

Licensing

This action does not have a licensing implication.

RECOMMENDATION:

Staff recommends that the City Council Adopt a Resolution Appropriating Expenditures of \$67,378.09 for the Costs of Forming a Community Facilities District for the Lytle Creek Ranch Project.