



## **REPORT TO CITY COUNCIL**

**To: Honorable Mayor and Members of the City Council**

**From: Grant Yates, City Manager**

**Prepared by: Jason Simpson, Assistant City Manager**

**Date: May 14, 2019**

**Subject: Adoption of Resolution of the City Council of the City of Lake Elsinore Approving a Joint Community Facilities Agreement with Elsinore Valley Municipal Water District and McMillin Summerly, LLC for City of Lake Elsinore Community Facilities District No. 2006-1 (Summerly)**

### **Recommendations**

Adopt Resolution No. 2019-\_\_ approving the form of a Joint Community Facilities Agreement with Elsinore Valley Municipal Water District and McMillin Summerly, LLC for Community Facilities District No. 2006-1 (Summerly).

### **Background and Discussion**

The City of Lake Elsinore (the "City") formed Community Facilities District No. 2006-1 (Summerly) (the "District") in 2006 pursuant to the Mello-Roos Community Facilities District Act of 1982 (the "Act"). The District comprises a portion of Summerly, a planned residential community located in the southeast portion of the City.

Under the Act, a community facilities district, such as the District, is authorized to finance the costs of public improvements of the entity which formed the community facilities district (i.e. the City). Under the Act, a community facilities district is also authorized to finance facilities of entities other than the entity which formed such district if a joint community facilities agreement is entered into among the relevant parties.

John Laing Homes, the original master developer within Summerly, entered into a joint community facilities agreement in 2006 with the City and Elsinore Valley Municipal Water District (the "Water District") to allow the District to finance certain Water District facilities. Such joint community facilities agreement has since expired in accordance with its terms.

McMillin Summerly, LLC ("McMillin"), acquired the partially-developed Summerly project in 2010 and now serves as the master developer. McMillin intends to complete remaining infrastructure necessary to allow for full buildout within the District, which includes additional Water District facilities. To allow the District to continue to finance Water District facilities, McMillin has

requested the execution and delivery of a new joint community facilities agreement with the City and the Water District. The Water District has already approved the form of the joint community facilities agreement presented at this meeting.

The Water District facilities authorized to be financed by the District are those that were approved at the original formation of the District and the change proceedings that have occurred since that time. The actual amount of bond proceeds applied to finance the Water District facilities will be determined at the time of each bond sale.

**Fiscal Impact**

There is no cost to the City.

**Exhibits**

1. City Resolution No. \_\_\_\_\_
2. Joint Community Facilities Agreement