



Staff Report

TO: City Council
FROM: Jennifer Ustation, Finance Director
DATE: October 15, 2024
SUBJECT: Approval of Requisition No. 2 for Reimbursement of Bond Proceeds in the Amount of \$8,250,000

Description Approve the requisition to Zions Bank to release \$8,250,000 2016-3 bond proceeds to reimburse Tri Pointe Homes IE-SD Project Costs per Settlement Agreement Dated February 7, 2017.

Background and Analysis:

On February 7, 2017, the City Council approved a Settlement Agreement with Pardee Homes, now Tri Pointe Homes IE-SD Inc. (Tri Pointe), which states that costs incurred, and funds advanced by developer for Development Impact Fee (DIF) improvements shall be reimbursed with the proceeds of special taxes or bonds.

On May 2, 2023, the City Council approved Acquisition Agreement for Community Facilities District No. 2016-3 (Sundance) and Authorized the Issuance of its Special Tax Bonds, Series 2023. The Acquisition Agreement established the terms pursuant to which the District would reimburse Tri Pointe for eligible facilities which Tri Pointe has completed and conveyed to the City for certain development impact fees paid by Tri Pointe.

On September 18, 2024, Tri Pointe submitted a reimbursement request in the amount of \$8,250,000, which amount has previously been paid to the City for DIFs or as an advance (as defined in the Acquisition Agreement) dated as of May 1, 2023, relating to the City of Beaumont Community Facilities District No. 2016-3 (Sundance).

As per the City of Beaumont's 2018-03 Restated Bond Accounting Policies and Procedures, trustee notification documents are to be presented to City Council for approval. Written requisition is to be signed by an authorized representative.

Fiscal Impact:

The estimated cost to prepare this report is \$245. There is no fiscal impact to the General Fund. The \$8,250,000 reimbursement of bond proceeds will reduce the construction fund account held by trustee and accounted for in the CFD Facilities fiduciary fund.

Recommended Action:

Approve the City Manager to sign Requisition No. 2 to send to Trustee for disbursement of bond proceeds to the City of Beaumont.

Attachments:

- A. Written Requisition of City of Beaumont Community Facilities District No. 2016-3 (Sundance) 2023 Special Tac Bonds