



Staff Report

TO: City Council
FROM: Jennifer Ustation, Finance Director
DATE: December 3, 2024
SUBJECT: Approval of Tri Pointe Homes Community Facilities District 93-1 Improvement Area 17D PayGo Funds Reimbursement Request

Description Tri Pointe Homes IE-SD, Inc. has submitted a request for the Community Facilities District 93-1 Improvement Area 17D PayGo funds to reimburse TUMF Fees paid in the amount of \$214,799.45.

Background and Analysis:

As per the Settlement Agreement between the City of Beaumont and Tri Pointe Homes IE-SD, Inc (Tri Pointe Homes) formally known as Pardee Homes dated February 7, 2017, section 6 paragraph 1 states “Pardee is entitled to receive 100% of PayGo special taxes collected in and after fiscal year 2017/2018, to fund Project Costs until CFD No. 93-1 issues bonds.”

Section 5 of the Settlement Agreement states that “The City currently does not participate in the Transportation Uniform Mitigation Fee (“TUMF”) program administered by the Western Riverside Council of Government (“WRCOG”), but may elect to join the program in the future, in which case TUMF may be levied and collected with respect to future development in Sundance and Tournament Hills and shall also be deemed a “DIF” pursuant to this Agreement. In addition, if the City adds development impact fees that are applicable to Sundance and Tournament Hills and which may be reimbursed with the proceeds of special taxes and bonds of IA Nos. 8E, 8F, and 17D and CFD Nos. 2016-2 and 2016-3, those, too, shall be deemed a DIF pursuant to which (i) the City shall identify capital improvements that are included in the DIF and/or TUMF program (each, a “DIF” improvement”), (ii) Pardee shall either design and construct the DIF improvements or advance funds to the City for the City’s design and construction of the DIF Improvements, (III) Pardee shall receive credits against DIFs and TUMF in an amount equal to the costs incurred by Pardee to the City of the DIF improvements and (iv) the costs incurred by Pardee and funds advanced by Pardee for the DIF improvements shall be reimbursed with the proceeds of special taxes and/or bonds of Nos. 8E, 8F and 17D and CFD Nos. 2016-2 and 2016-3.”

On March 20, 2020, the City Council approved an Improvement and Credit/Reimbursement Agreement Transportation Uniform Mitigation Fee between the City of Beaumont and Pardee Homes for the Oak Valley Interchange Project. The agreement in the amount of \$6,390,000 allowed Pardee to deliver TUMF improvements by means of providing “the DIF” to the City to offset against Developer’s obligation to pay the applicable TUMF for the project in accordance with the TUMF Administrative Plan adopted by WRCOG.

Tri Pointe Homes has submitted a request to receive PayGo funds in the amount of the PayGo balance of \$214,799.45 from CFD 93-1 IA 17D to reimburse TUMF costs in association with the TUMF Credit Agreement for the Oak Valley Interchange Project.

Fiscal Impact:

The \$214,799.45 reimbursement of PayGo funds will reduce the 17D balance within the CFD Facilities Fiduciary Fund.

The estimated cost to prepare this report is \$250.

Recommended Action:

Approve Tri Pointe Homes 17D PayGo Funds Reimbursement Request in the amount of \$214,799.45.

Attachments:

- A. Tri Pointe Homes Reimbursement Request