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# County of Riverside Enhanced Infrastructure Financing District No. 21-1 (Temecula Valley Wine Country)

## Draft Infrastructure Financing Plan

August 17, 2021

Presented to:

Temecula Valley Wine Country Public Financing  
Authority

Office of Economic Development  
3403 10th Street, Suite 400  
Riverside, CA 92501

Public Finance  
Public-Private Partnerships  
Development Economics  
Clean Energy Bonds

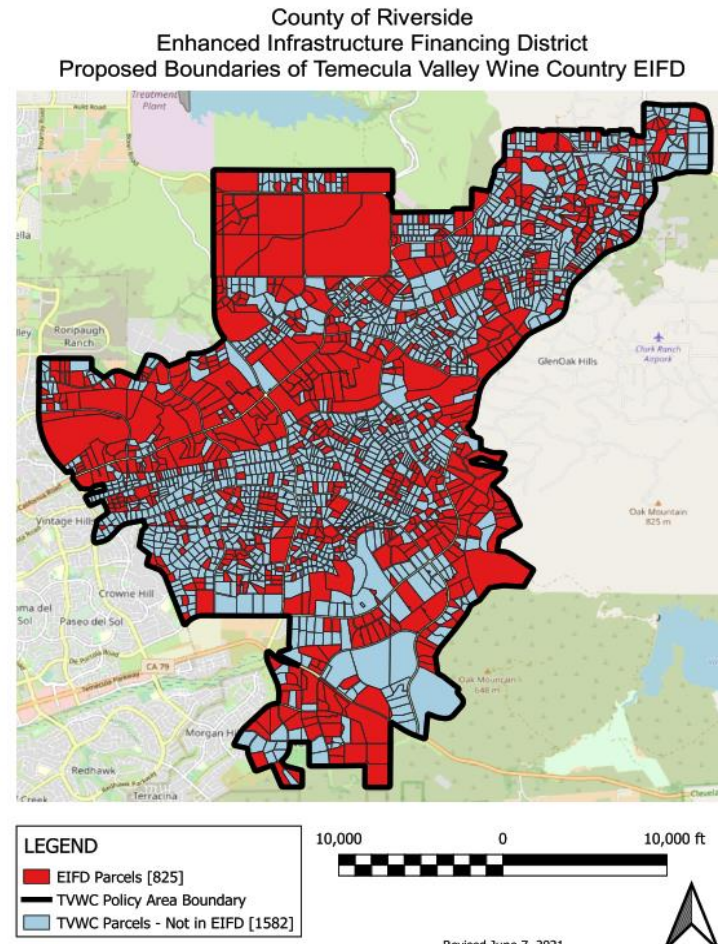
# Infrastructure Financing Plan Components

- Map and description of proposed EIFD
- List of public facilities to be constructed in EIFD
- Finding that EIFD-financed facilities are of community-wide benefit
- Financing Section:
  - Maximum percentage of property tax increment assigned to EIFD
  - Projection of annual EIFD revenues
  - Financing Plan, including proposed bond issues
  - Maximum property tax revenues to be allocated to EIFD
  - Expiration date of EIFD
  - Estimated EIFD-financed facilities costs
  - Fiscal impacts of the EIFD on the County
- Replacement plan for any housing units lost due to EIFD financing
- Objectives of EIFD Financing Plan



Source: <https://www.visitcalifornia.com/ca/attraction/temecula-valley-wine-country>

# TVWC EIFD Boundaries



## Projected Development

- 9,007 acres
- 825 parcels
- 437 new single-family detached units
- 1,599 net acres of new commercial development
- 102 net acres of vacation rentals

# EIFD Revenue Sources and Timing of EIFD Funding

- Tax increment revenues are the same *ad valorem* property taxes already paid by property owners, so **no additional property taxes required**
- Proceeds may be utilized to fund any public improvements with a useful life of 15 years or more that provide community benefit
- PFA makes the decision to sell bonds when sufficient *ad valorem* property tax and VLF increment has accrued to support debt service
- Minimum debt service coverage is 125%
- Excess 25% debt service coverage can fund additional improvements beyond bonded indebtedness on pay-as-you-go basis
- Bonds cannot be sold until after some development has occurred and tax increment is generated, so EIFDs are often used as a reimbursement mechanism



# Projected Tax and VLF Increment Revenues by Year: Maximum Cannot Exceed \$75 Million in Property Tax Increment

Year	Property Tax Revenue Received by the County <sup>1</sup>	Property Tax Revenue Allocated to EIFD
2023	\$63,905	\$15,976
2024	\$131,005	\$32,751
2025	\$201,460	\$50,365
2026	\$275,438	\$68,859
2027	\$353,114	\$88,278
2028	\$434,675	\$108,668
2029	\$520,313	\$130,078
2030	\$610,234	\$152,558
2031	\$704,650	\$176,162
2032	\$803,788	\$200,946
2033	\$907,882	\$226,970
2034	\$1,017,181	\$254,294
2035	\$1,131,945	\$282,985
2036	\$1,252,447	\$313,111
2037	\$1,378,974	\$344,742
2038	\$1,511,827	\$377,956
2039	\$1,651,323	\$412,830
2040	\$1,797,794	\$449,447
2041	\$1,951,589	\$487,896
2042	\$2,113,073	\$528,267
2043	\$2,282,631	\$570,656

Year	Property Tax Revenue Received by the County <sup>1</sup>	Property Tax Revenue Allocated to EIFD
2046	\$2,843,891	\$710,971
2047	\$3,049,990	\$762,495
2048	\$3,266,395	\$816,596
2049	\$3,493,619	\$873,402
2050	\$3,732,205	\$933,049
2051	\$3,982,720	\$995,677
2052	\$4,245,761	\$1,061,437
2053	\$4,521,954	\$1,130,485
2054	\$4,811,956	\$1,202,986
2055	\$5,116,459	\$1,279,111
2056	\$5,436,187	\$1,359,043
2057	\$5,771,901	\$1,442,971
2058	\$6,124,400	\$1,531,096
2059	\$6,494,525	\$1,623,627
2060	\$6,883,156	\$1,720,784
2061	\$7,291,219	\$1,822,800
2062	\$7,719,685	\$1,929,916
2063	\$8,169,574	\$2,042,388
2064	\$8,641,957	\$2,160,483
2065	\$9,137,960	\$2,284,483
2066	\$9,658,763	\$2,414,684
2067	\$10,205,606	\$2,551,394
<b>Total</b>	<b>\$156,803,402</b>	<b>\$39,200,739</b>

**Note:**

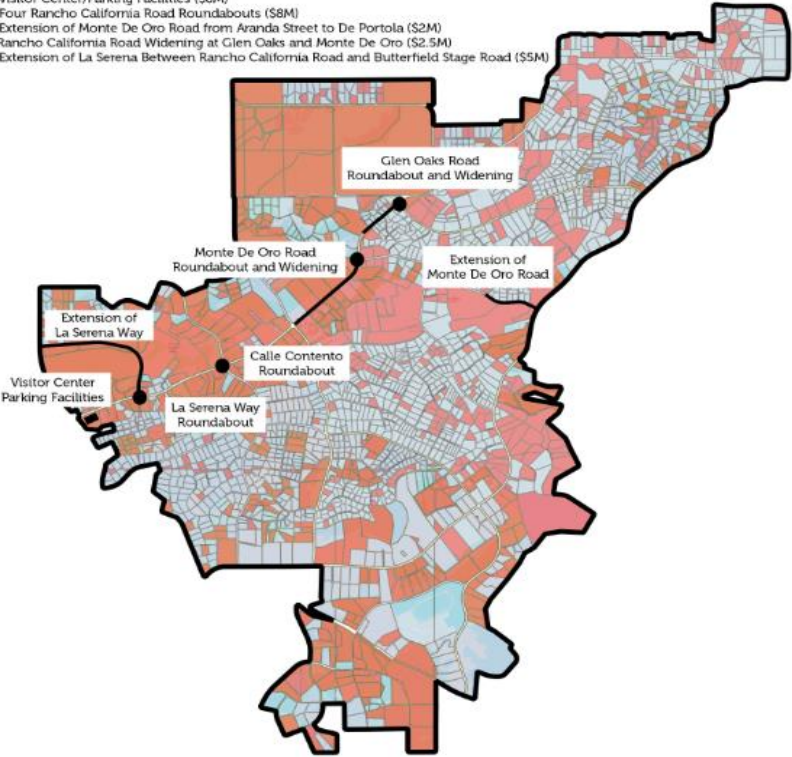
<sup>1</sup> Represents the increment resulting from the 5% annual increase in current assessed valuation as a result of new development and/or property sales.

# EIFD-Financed Improvements and EIFD Infrastructure Costs

## EIFD-Financed Improvements

EIFD IMPROVEMENTS  
(Est. Total: \$30M)

1. Trails (\$3M)
2. Entryway Monuments (\$1M)
3. Beautification/Landscaping (\$2.5M)
4. Visitor Center/Parking Facilities (\$6M)
5. Four Rancho California Road Roundabouts (\$8M)
6. Extension of Monte De Oro Road from Aranda Street to De Portola (\$2M)
7. Rancho California Road Widening at Glen Oaks and Monte De Oro (\$2.5M)
8. Extension of La Serena Between Rancho California Road and Butterfield Stage Road (\$5M)



## EIFD Infrastructure Costs

Item	EIFD-Funded Improvements	Cost Estimate (2021\$)	Proposed Timing
1	Trails	\$3,000,000	TBD
2	Entryway Monuments	\$1,000,000	TBD
3	Beautification/Landscaping	\$2,500,000	TBD
4	Visitor Center/Parking Facilities	\$6,000,000	TBD
5	Four Rancho California Road Roundabouts	\$8,000,000	TBD
6	Extension of Monte De Oro Road from Aranda Street to De Portola	\$2,000,000	TBD
7	Rancho California Road Widening at Glen Oaks and Monte De Oro	\$2,500,000	TBD
8	Extension of La Serena Between Rancho California Road and Butterfield Stage Road	\$5,000,000	TBD
<b>Total Cost</b>		<b>\$30,000,000</b>	<b>N/A</b>

\*Note: EIFD funding is not anticipated to cover the full costs of all of the identified facilities.

# Projected Financing Schedule for EIFD Bond Issues and Pay-As-You-Go Revenues

Bond Year	Coupon Rate/Bond Term	Bonded Indebtedness	Bond Construction Proceeds	Cumulative Pay-Go Revenue	Cumulative Bond Construction Proceeds Plus Pay-Go	NPV (3%) Bond Proceeds Plus Pay-Go
2026	4.5%/30 Years	\$895,000	\$676,630	\$167,951	\$844,581	\$754,830
2031	4.5%/30 Years	\$1,400,000	\$1,143,052	\$548,969	\$2,368,650	\$1,935,678
2037	4.5%/30 Years	\$2,195,000	\$1,877,321	\$1,326,657	\$5,023,659	\$3,668,520
2042	4.5%/25 Years	\$2,175,000	\$1,845,695	\$2,204,812	\$7,747,509	\$5,200,188
2047	4.5%/20 Years	\$2,440,000	\$2,065,822	\$3,414,359	\$11,022,879	\$6,793,058
2052	4.5%/15 Years	\$2,565,000	\$2,137,688	\$4,856,517	\$14,602,725	\$8,301,537
2057	4.5%/10 Years	\$2,850,000	\$2,372,250	\$6,889,596	\$19,008,053	\$9,906,113
2062	4.5%/5 Years	\$2,085,000	\$1,695,225	\$9,652,606	\$23,466,289	\$11,317,409
2067	N/A	\$0	\$0	\$13,391,168	\$27,204,850	\$12,356,602
<b>Total</b>	<b>N/A</b>	<b>\$16,605,000</b>	<b>\$13,813,682</b>	<b>\$13,391,168</b>	<b>\$27,204,850</b>	<b>\$12,356,602</b>

# Annual Fiscal Impacts of Proposed TVWC EIFD on County of Riverside as of Fiscal Year 2067

Fiscal Impact Category	Amount/Ratio
Gross Recurring General Fund Revenues	\$25,436,103
Less: County Administration Fees	(\$122,697)
Less: EIFD Property Tax and In-Lieu VLF Share	(\$2,551,394)
Net Recurring General Fund Revenues	\$22,762,012
Recurring General Fund Expenditures	\$15,917,109
Total Annual Recurring General Fund Surplus/(Deficit)	\$6,844,903
Total Annual Revenue/Expenditure Ratio	1.43



# Next Steps for Public Financing Authority

- August 17<sup>th</sup> Public Hearing – Hear written and oral comments on Infrastructure Financing Plan but take no action
- September 21<sup>st</sup> Public Hearing – Consider additional written and oral comments and take action to modify or reject Infrastructure Financing Plan
- November 9<sup>th</sup> Public Hearing
  - If Infrastructure Financing Plan is not rejected at 2<sup>nd</sup> Public Hearing, hold protest proceeding and schedule election if protest is between 25% and 50% of property owners and residents
  - If protest is more than 50% of property owners and residents, the EIFD cannot be established
  - If protest is less than 25%, PFA can adopt a resolution approving the Infrastructure Financing Plan and establishing the EIFD. PFA may also approve authorization for the sale of future EIFD bonds





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**Thank You!**

**3390 University Avenue, Suite 200  
Riverside, CA 92501**