

County of Riverside
Facilities Management
3450 14th Street., Riverside, CA

FOR COUNTY CLERK USE ONLY

NOTICE OF EXEMPTION

January 18, 2023

Project Name: County of Riverside, Eastern Coachella Valley Enhanced Infrastructure Financing District (EIFD)

Project Number: FM05190011494

Project Location: Eastern Coachella Valley, Southeast County of Riverside

Description of Project: An Enhanced Infrastructure Financing District (EIFD) is a state-created bonding mechanism for local governments. The EIFD law authorizes EIFDs to issue bonds to finance public capital facilities. The available revenue for bonding is the increment of property tax and vehicle license fees, using the increment starting from the Fiscal Year after the Public Finance Authority passes the ordinance to form the EIFD. School districts and community college district revenues are not available for use; however, all other affected taxing entities may participate upon completion of a tax sharing agreement. The resolution of intention sets the boundaries of the EIFD. The EIFD law provides that each EIFD shall be governed by a public financing authority (PFA) established by resolution. The PFA consists of three members of the Board of Supervisors and two public members. If there is more than one taxing agency participating in the EIFD, all taxing agencies mutually select the three public agency representatives and two public members. The terms of the PFA members are four years.

Upon creation of the PFA, a date is to be set for the first meeting of the PFA. The PFA then directs the preparation of an EIFD infrastructure financing plan (IFP). The infrastructure financing plan outlines the estimated tax revenue of the district as well as the use of the monies (project description). Regional or communitywide benefits such as infrastructure, parking facilities, signage and beautification will be considered within the EIFD boundary. Once formed, the PFA will be a separate legal entity and their meeting and other actions are subject to the Brown Act, Public Records Act, Political Reform Act, etc. The IFP is distributed to all EIFD property owners and a public meeting with property owners will be held to present the EIFD and three subsequent public hearings are held, resulting in Board approval of the IFP, if appropriate, and adopting the Resolution of Formation. If the EIFD is formed, the PFA Board, and not the Board of Supervisors, will make future decisions pertaining to the EIFD. The EIFD will be directed by its own distinct PFA Board.

The purpose of establishing the EIFD is to provide infrastructure improvements within the Eastern Coachella Valley, which include restoring the health of the Salton Sea, as well as implementing water and wastewater, transportation, utilities and telecommunication and other needed public infrastructure. The creation of the Eastern Coachella Valley EIFD is identified as the proposed project under the California Environmental Quality Act (CEQA). The creation of the EIFD provides a funding mechanism to issue bonds to finance public capital facilities within the area. No expansion of an existing use will occur. No additional direct or indirect physical environmental impacts are anticipated from the Eastern Coachella Valley EIFD.

Name of Public Agency Approving Project: County of Riverside


Name of Person or Agency Carrying Out Project: County of Riverside

Exempt Status: Not a project as defined in California Environmental Quality Act (CEQA) Section 21065 and State CEQA Guidelines Section 15378; Section 15061(b) (3), General Rule or “Common Sense” Exemption. Codified under Public Resources Code Division 13, Chapter 2.5, Section 21065, and California Code of Regulations Title 14, Articles 5 and 20, Sections 15061 and 15378.

Reasons Why Project is Exempt: The direct effects of the creation of the Eastern Salton Sea EIFD would not constitute a project as defined by CEQA Section 21065 and State CEQA Guidelines Section 15378. Section 15378 (b) provides a list of five activities that are not considered a project under CEQA. The proposed EIFD would qualify under two conditions identified in Section 15378 (b): (4) the creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant impact on the environment and (5) organizational or administrative activity of the government that will not result in direct or indirect physical changes to the environment. The establishment of the EIFD satisfies these conditions as the EIFD would establish a funding plan to issue bonds to finance public capital facilities. As a result, the adoption of the ordinance would not result in significant physical impact on the environment since it would not include any changes to the existing land use or a physical degradation of the property. The indirect effects of the creation of the EIFD would be to provide funding to the Plan. Additional indirect effects would occur from implementation of infrastructure identified in the plan, but the elements of that infrastructure are unknown at this time and the resulting effects are not reasonably foreseeable. Infrastructure improvements would require additional environmental review when design details are completed. The project will not result in any specific or general exceptions to the use of the categorical exemption as detailed under State CEQA Guidelines Section 15300.2. The project will not cause an impact to an environmental resource of hazardous or critical concern nor would the project include a reasonable possibility of having a significant effect on the environment due to unusual circumstances. The project would not result in impacts to scenic highways, hazardous waste sites, historic resources, or other sensitive natural environments, or have a cumulative effect to the environment. No significant environmental impacts are anticipated to occur with the Eastern Coachella Valley EIFD.

- **Section 15061 (b) (3) – “Common Sense” Exemption:** In accordance with CEQA, the use of the Common Sense Exemption is based on the “general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment.” State CEQA Guidelines, Section 15061(b) (3). The use of this exemption is appropriate if “it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.” *Ibid*. This determination is an issue of fact and if sufficient evidence exists in the record that the activity cannot have a significant effect on the environment, then the exemption applies and no further evaluation under CEQA is required. See *No Oil, Inc. v. City of Los Angeles* (1974) 13 Cal. 3d 68. The ruling in this case stated that if a project falls within a category exempt by administrative regulation or 'it can be seen with certainty that the activity in question will not have a significant effect on the environment', no further agency evaluation is required. With certainty, there is no possibility that the project may have a significant effect on the environment. The establishment of the Salton Sea EIFD will not result in any direct or indirect physical environmental impacts. The use and operation of facilities in the Eastern Coachella Valley will be substantially similar to the existing use and the establishment of a financing plan to maintain and improve infrastructure will not create any new environmental impacts to the environment. No alterations and no impacts beyond the ongoing, existing use of the area would occur. Any infrastructure projects identified and selected for implementation from the EIFD plan would undergo separate CEQA review when any selected infrastructure can be defined and the resulting effects can be reasonably foreseeable. Therefore, in no way, would the project as proposed have the potential to cause a significant environmental impact and the project is exempt from further CEQA analysis.

Therefore, the County of Riverside Facilities Management hereby concludes that no physical environmental impacts are anticipated to occur and the project as proposed is exempt under CEQA. No further environmental analysis is warranted.

Signed:  _____ **Date:** 1-18-2023
Mike Sullivan, Senior Environmental Planner
County of Riverside