



STAFF REPORT

March 23, 2022
File Number 1070-50

SUBJECT

INTERFUND TRANSFER TO PAY OFF PUBLIC STORM DRAIN OBLIGATION

DEPARTMENT

Engineering Services

RECOMMENDATION

It is requested that City Council adopt Resolution Number 2022-43 authorizing a Budget Adjustment and transfer of funds from the Public Facilities Fund to the City Drainage Fund in the amount of \$378,839.61 for the purpose of reimbursing Citrus Avenue Partners LLC for previously completed drainage improvements.

Staff Recommendation: Approval (Engineering Services Department: Julie Procopio, Director of Engineering Services, City Engineer)

Presenter: Julie Procopio

FISCAL ANALYSIS

The proposed Interfund Loan will be paid back over a ten (10) year period at an interest rate equivalent to the City of Escondido's ("City") calculated investment portfolio monthly yield utilizing a portion of the Drainage Facilities Fees collected each fiscal year resulting in a cost savings to the City.

BACKGROUND

In February of 2003 the City entered into a reimbursement agreement with Newport Properties LLC ("Developer") to reimburse the developer of 403 North Citrus Avenue, Tentative Tract Map 846, for upsizing the existing storm water infrastructure to complete needed construction in accordance with the City Master Drainage Plan. The Developer completed the required storm drain improvements. Approval of a loan from the Public Facilities Fund to the City Drainage Fund is recommended to facilitate payment to the Developer. The interest terms of the Interfund loan are more favorable than the 3.5% rate included in the original agreement.

RESOLUTIONS

- a. Resolution No. 2022-43

ATTACHMENTS

- a. Attachment "1" Drainage Facilities Improvement and Reimbursement Agreement
- b. Budget Adjustment