



## **CITY OF MENIFEE**

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SUBJECT: Tax-Exempt Revenue Bonds by the Public Finance Authority  
for Mountain View Community Church of Murrieta/Temecula  
dba The View Church

MEETING DATE: March 5, 2025

TO: Mayor and City Council

PREPARED BY: Edna Aguilar, Management Analyst

REVIEWED BY: Stephanie Roseen, City Clerk

APPROVED BY: Armando G. Villa, City Manager

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### **RECOMMENDED ACTION**

1. Conduct a Tax Equity and Financial Responsibility Act (TEFRA) hearing in consideration of the issuance of tax-exempt bond financing by the Public Finance Authority (PFA) on behalf of Mountain View Community Church of Murrieta/Temecula dba The View Church to finance the acquisition and improvement, refinancing, and reserves of The View Church located at 26701 McCall Blvd. and certain other matters relating thereto; and
2. Adopt a resolution approving the issuance of revenue bonds by the PFA in an amount not-to-exceed \$8,000,000 for the purpose of financing the Project.

### **DISCUSSION**

The Mountain View Community Church of Murrieta/Temecula dba The View Church ("Borrower") has requested that the PFA serve as the issuer of tax-exempt revenue bonds in an aggregate principal amount not to exceed \$8,000,000 to finance and refinance improvements to The View Church, located at 26701 McCall Boulevard.

The purpose of this staff report is to fulfill a formal action required by the Internal Revenue Code of 1986, which mandates that the "highest elected official" of the Project location approves the issuance of tax-exempt bonds following a public hearing. In order for all or a portion of the bonds to qualify as tax-exempt bonds, the City of Menifee must conduct a public hearing (the "TEFRA Hearing"), providing the members of the community an opportunity to speak in favor of or against the use of tax-exempt bonds for the financing of the Project. The City of Menifee is not a party to the proposed financing and holds no financial, legal, or moral obligation for the repayment of the bonds.

### **Project Description**

The Project involves financing and refinancing the costs associated with the construction, expansion, extension, repair, renovation, and other improvements of the Borrower's facilities located at the Project address located at 26701 McCall Boulevard, Riverside County (APNs: 335-172-008 and 335-172-009). On December 11, 2024, the City's Planning Commission approved Major Modification No. PLN24-0001 and Minor Conditional Use Permit No. PLN24-0002 for the Project.

**Major Modification No. PLN24-0001:** Approved the modification to an existing church adding 6,949 square feet of new floor area to the existing sanctuary building, and by adding 5,689 square feet to the existing fellowship hall. The church is located on two parcels with a total area of 4.06 acres. The existing religious institution (The View Church) is located on one parcel and the associated parking lot is located on the adjacent parcel.

**Conditional Use Permit (CUP) No. PLN24-0002:** Approved the use of a church or religious institution in the Public/Quasi Facilities (PF) Zone.

Additionally, the project includes refinancing all or portions of the Borrower's outstanding First Mortgage Bonds, 2019 Series, originally issued in the principal amount of \$3,945,000, which were used to finance and refinance the facilities mentioned above. Lastly, the project will cover the costs of issuing the bonds and establishing necessary reserves for both the bonds and the Project. No actual development is being considered, approved, or disapproved at this time. The City shall have no liability for the repayment of any bond or any responsibility for the Borrower's facilities.

The bonds to be issued by the PFA for the Project would be the sole responsibility of the Borrower, and the City would have no financial, legal, moral obligation, liability or responsibility for the Project or the repayment of the bonds for the financing of the Project. All financing documents with respect to the issuance of the Bonds would contain clear disclaimers that the Bonds are not obligations of the City or the State of California but are to be paid for solely from funds provided by the Borrower.

### **Environmental**

This approval is not subject to the California Environmental Quality Act (Pub. Resources Code, Sec. 21000 et seq.) ("CEQA") pursuant to Sections 15060(c)(2) (the activities will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activities are not a project as defined in section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3. Under CEQA Guidelines Section 15378(b)(5), continued administrative activities and organizational activities that will not result in a direct or indirect physical change in the environment are not CEQA "projects." Moreover, under CEQA Guidelines Section 15378(b)(4), government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment are not CEQA "projects."

### **STRATEGIC PLAN OBJECTIVE**

Regular City Business

### **FISCAL IMPACT**

The City has no financial responsibility with respect to the bonds or the repayment of the bonds for the financing of the Project. The City has no liability for the repayment of any bond. The bonds to be issued would be the sole responsibility of the Borrower.

### **ATTACHMENTS**

1. Resolution