

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

128



**FROM:** COUNTY EXECUTIVE OFFICE

**SUBMITTAL DATE:**  
December 20, 2005

**SUBJECT:** Ordinance No. 851 An Ordinance of the County of Riverside Authorizing the Levy of a Special Tax within Community Facilities District No. 04-1 (Majestic Freeway Business Center) of the County of Riverside.

**RECOMMENDED MOTION:** That the Board of Supervisors of the County of Riverside, introduce Ordinance No. 851 Authorizing the Levy of a Special Tax within Community Facilities District No. 04-1 (Majestic Freeway Business Center), and subsequently adopt said Ordinance at the next board meeting, which in this case will be January 10, 2006.

**BACKGROUND:** On November 29, 2005, the Board of Supervisors held a public hearing to consider the establishment of Community Facilities District No. 2004-1 of the County of Riverside ("CFD 04-1"), and calling for a special election for December 13, 2005. At the close of the public hearing, the Board adopted Resolution No. 2005-491 authorizing the formation of CFD 04-1 and setting the election. The Board functioning *ex officio* as the Legislative Body of the CFD also adopted Resolution No. CFD 2005-25, determining the necessity to incur bonded indebtedness in the maximum principal amount of \$11,500,000. Both resolutions called for an election on three propositions: (i) should the CFD be able to incur bonded indebtedness in a maximum amount of \$11,500,000, (ii) should the CFD be able to levy a special tax within its boundaries consistent with the terms of the Rate and Method, and (iii) should the CFD establish an annual appropriations limit equal to \$2,000,000.

(continued on page 2)

Jerry Norris, Senior Management Analyst

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2005

<b>SOURCE OF FUNDS:</b> N/A	<b>Positions To Be Deleted Per A-30</b>	<input type="checkbox"/>
	<b>Requires 4/5 Vote</b>	<input type="checkbox"/>

**C.E.O. RECOMMENDATION: APPROVE**

**County Executive Office Signature**

Policy

Consent

Dept't Recomm.:  
Per Exec. Ofc.:

Prev. Agn. Ref.:

District: 1<sup>st</sup>

Agenda Number:

3.6

FORM APPROVED COUNTY COUNSEL  
DEC 13 2005  
BY:

Departmental Concurrence

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**CFD 04-1 (Majestic Freeway Business Center)**

Pursuant to the terms of the resolutions calling the election and the provisions of the Act, the special tax election was held on December 13, 2005, and the propositions were approved by more than two thirds (2/3) of the votes cast at the election.

By the adoption of this Ordinance, the Board authorizes and levies special taxes within the District pursuant to Sections 53328 and 53340 of the Code, at the rate and in accordance with the Rate and Method. The special taxes are hereby levied commencing in fiscal year 2006-07 and in each fiscal year thereafter for the period necessary to satisfy the special tax requirement as defined in the Rate and Method.

Therefore we ask that the Chairman of the Board of Supervisors be authorized to sign this Ordinance and that the Clerk of the Board of Supervisors attest to the Chairman's signature and then cause the same to be published within fifteen (15) days after its passage on January 10, 2006 at least once in The Press-Enterprise, a newspaper of general circulation published and circulated in the area of the District.



1 owners and registered voters within CFD No. 04-1, were given an opportunity to appear and be heard, and  
2 the testimony of all interested persons or taxpayers for or against the establishment of CFD No. 04-1, the  
3 boundaries of CFD No. 04-1, the levy of the special tax, the payment or defeasance of a portion of the  
4 CFD No. 88-8 Bonds, the necessity to incur bonded indebtedness, the proposed appropriations limit, or  
5 any other matters set forth in said Resolution, were heard and considered and the Board of Supervisors at  
6 the conclusion of said hearing was fully advised in the premises, and was authorized to proceed; and

7           **WHEREAS**, following such public hearing, on November 29, 2005, the Board of  
8 Supervisors duly adopted Resolution No. 2005-491 establishing CFD No. 04-1 and the Rate and Method  
9 of Apportionment of Special Tax as set forth in Exhibit B to Resolution No. 2005-464 and on the same  
10 date the Board of Supervisors, acting ex officio as the legislative body of CFD No. 04-1 (the "Legislative  
11 Body") adopted Resolution No. CFD 2005-25 determining the necessity to incur bonded indebtedness  
12 (including incidental expenses as authorized by the Act) in an aggregate principal amount not to exceed  
13 \$11,500,000; and

14           **WHEREAS**, CFD No. 04-1 on the 13<sup>th</sup> of December, 2005, duly and legally held and  
15 conducted a special election, and the three propositions submitted to the qualified electors were a  
16 approved by more than two-thirds of the votes cast; and

17           **WHEREAS**, such bonded indebtedness and interest thereon will be payable from a special  
18 tax levied and collected in accordance with and subject to the maximum rates applicable thereto; and

19           **WHEREAS**, the Board of Supervisors is fully advised in the premises;

20           **NOW, THEREFORE**, the Board of Supervisors of the County of Riverside **ORDAINS**,  
21 as follows:

22           **Section 1.** The Board of Supervisors finds and determines that the above recitals are true  
23 and correct.

24           **Section 2.** The Board of Supervisors authorizes the Legislative Body to levy a special tax  
25 pursuant to the rate and method of apportionment of special tax (the "Rate and Method") approved by  
26 Resolution No. 2005-491, adopted on November 29, 2005 and by the qualified electors of CFD No. 04-1  
27 which is attached hereto as Exhibit A.

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1           **Section 3.** The Legislative Body is hereby further authorized each fiscal year by resolution  
2 to determine the specific special tax rate and amount to be levied for said fiscal year, except that the  
3 special tax rate to be levied shall not exceed that set forth in the Rate and Method, but the special tax may  
4 be levied at a lower rate.

5           **Section 4.** Properties or entities of the state, federal, or other local governments shall be  
6 exempt from the above-referenced and approved special tax, except as provided by the proceedings  
7 relating to CFD No. 04-1, and except as provided by Sections 53317.3, 53317.5, and 53340.1 of the Code.  
8 No other properties or entities are exempt from the special tax unless the properties or entities are  
9 expressly exempted by the proceedings relating to CFD No. 04-1, or a resolution of consideration to levy  
10 a new special tax or special taxes or to alter the rate or method of apportionment or an existing special tax  
11 as provided in Section 53334 of the Code.

12           **Section 5.** All of the collections of the special tax shall be used as provided for in the Act  
13 and the proceedings conducted for CFD No. 04-1. The special tax shall be levied only so long as needed  
14 for its purpose as described in Resolution No. 2005-491.

15           **Section 6.** The above authorized special tax shall be collected in the same manner as  
16 ordinary *ad valorem* property taxes are collected and shall be subject to the same penalties and the same  
17 procedure, sale and lien priority in case of delinquency as is provided for *ad valorem* taxes (which such  
18 procedures include the exercise of all rights and remedies permitted by law to make corrections,  
19 including, but not limited to, the issuance of amended or supplemental tax bills); provided, however the  
20 special tax may be collected at a different time or in a different manner if necessary for CFD No. 04-1 to  
21 meet its financial obligations and if so collected, a delinquent penalty of 10% of the special tax will  
22 attach at 5:00 p.m. on the date the special tax becomes delinquent and interest at 1.5% per month of the  
23 special tax will attach on the July 1 after the delinquency date and the first of each month thereafter until  
24 redeemed, and provided further that the Legislative Body may modify the manner of collection, the  
25 penalties, and the procedure, sale and lien priority in case of delinquency from time to time.

26           **Section 7.** As a cumulative remedy, if any amount levied pursuant hereto as a special tax  
27 for payment of bond interest or principal, together with any penalties and other charges accruing under  
28 this Ordinance are not paid when due, the Legislative Body may, not later than four years after the due

