

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

931



SUBMITTAL DATE:
May 8, 2006

FROM: County Executive Office

SUBJECT: Community Facilities District No. 88-4 (Winchester Ranch)

RECOMMENDED MOTION: That based on the verified petition and submitted documents the Board of Supervisors find that Rancho-Temecula New Covenant Fellowship paid the Fiscal Year 2005-06 special taxes on APN 957350013-7 in the amount of \$642,383.44; that 40 acres of APN 957350013-7 represents exempt open space; that \$369,664.12 of the Fiscal Year 2005-06 special tax paid was in respect of the exempt open space; and that such amount was erroneously collected; and hereby order the CFD Administrator to request a refund in the amount of \$369,664.12 from the Fiscal Agent, payable to Rancho-Temecula New Covenant Fellowship.

BACKGROUND: Assessor Parcel Number 957350013-7 (the "Parcel") is located within the boundaries of Community Facilities District No. 88-4 (Winchester Ranch) (the "CFD") and was classified as "Vacant Property" under the terms of the Amended Rate and Method of Apportionment (the "Amended RMA"). Pursuant to the terms of the Protocol Agreement by and between the CFD and Pulte Home Corporation, it was agreed that for FY 2005-06 "Vacant Property" would be taxed to meet the special tax requirement.

(Continued on Page 2)

Debra Cournoyer
Debra Cournoyer,
Principal Management Analyst

FORM APPROVED
COUNTY COUNSEL

MAY 09 2006

Departmental Concurrence

FINANCIAL DATA	Current F.Y. Total Cost:	\$ N/A	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ N/A	Budget Adjustment:	No
	Annual Net County Cost:	\$ N/A	For Fiscal Year:	06/07

SOURCE OF FUNDS: Special Tax funds CFD 88-4	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:
APPROVE

County Executive Office Signature *[Signature]*

Policy

Consent

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

Prev. Agn. Ref.: | **District:** 3 | **Agenda Number:**

3.7

On July 1, 2005, the parcel map ("Parcel Map") that would allow for the development of the Parcel had not been recorded. It was known that an undeterminable amount of acreage of the Parcel would be classified as "Open Space" and not subject to the special tax levy. The Parcel Map was recorded on December 23, 2005, and established that a remainder parcel of 40.0 acres was exempt from having to pay any special tax levy.

The special tax obligation of the Parcel for FY 2005-06 was calculated as \$642,383.44 and was enrolled in August of 2005. In order to satisfy a condition of approval to record the Parcel Map, Rancho-Temecula New Covenant Fellowship, a California corporation ("New Covenant") paid the entire special tax obligation enrolled for FY 2005-06. New Covenant has made a written request that those special taxes paid with regard to the remainder parcel be refunded. The Special Tax Administrator has determined the amount of the refund due for the remainder parcel is \$369,664.12.

Sufficient special taxes have been collected for FY 2005-06 to pay all interest owing and the mandatory redemption required on September 1, 2006. In addition, the amount collected will also allow for an optional redemption to be made on September 1, 2006 in the amount of \$1,000,000.

By the terms of the Rate and Method and pursuant to Ordinance No. 661.2, special taxes for the CFD are to be collected consistent with *ad valorem* property taxes. Sections 5096 et seq. of the Revenue and Taxation Code provide the authority to the Board to order refunds in instances where there has been an error in the amount of taxes collected.

Staff is requesting that the Board approve and order a refund in the amount of \$369,664.12 to be made to New Covenant and direct staff to request that the Fiscal Agent for the CFD issue the refund payment.