

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



ITEM  
3.7  
(ID # 8035)

**MEETING DATE:**

Tuesday, October 30, 2018

**FROM :** ECONOMIC DEVELOPMENT AGENCY (EDA):

**SUBJECT:** ECONOMIC DEVELOPMENT AGENCY (EDA): Receive and File the Statement of the Election Official, Adoption of a Resolution Declaring the Results of a Consolidated Special Election, Introduction of Ordinance No. 945 Authorizing the Levy of a Special Tax within the CFD 18-1M (Tramonte), District 1; [\$0]

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. With regard to the formation of Community Facilities District No. 18-1M (Tramonte) of the County of Riverside, receive and file the Statement of the Election Official regarding the Canvas of the Election for the Communities Facilities District;
2. Adopt Resolution No. 2018-182, a Resolution of the Board of Supervisors of the County of Riverside Declaring the Results of Consolidated Special Elections Within Community Facilities District No. 18-1M (Tramonte) of the County of Riverside; and
3. Introduce, read title and waive further reading of proposed Ordinance No. 945 , An Ordinance of the County of Riverside Authorizing the Levy of a Special Tax within Community Facilities District No. 18-1M (Tramonte) of the County of Riverside.

**ACTION:** Policy

Robert Field, Assistant County Executive Officer/ECD 9/25/2018

---

**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Jeffries, seconded by Supervisor Perez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended and that the above Ordinance is approved as introduced with a waiver of reading.

Ayes: Jeffries, Tavaglione, Washington, Perez and Ashley  
Nays: None  
Absent: None  
Date: October 30, 2018  
xc: EDA, Co.Co., COB, Recorder

Kecia Harper-Ihem  
Clerk of the Board  
By:   
Deputy

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

<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS:</b> CFD 18-1M (Tramonte) (100%)			<b>Budget Adjustment:</b>	No
			<b>For Fiscal Year:</b>	2019/2020

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

The State Legislature enacted the Mello-Roos Act of 1982 to assist public agencies in financing certain public services and maintenance requirements. On January 27, 2015, the Board of Supervisors revised Board Policy B-12 entitled "Land Secured Financing Districts" to include "Service and Maintenance CFDs" to fund the ongoing maintenance of landscape, storm water Best Management Practices (BMP), street lighting, or other similar improvements and set goals and policies concerning Community Facilities Districts (CFD). City Ventures Homebuilding, LLC is the Developer of Tract 36475 (Developer) and requested that the County of Riverside Economic Development Agency (EDA) assist them in forming a district for the County of Riverside (County) to cover the costs associated with the maintenance of public improvements within the district. A special tax shall be levied on each individual parcel located within the boundary of the CFD to fund the costs associated with services for street lights maintenance including energy charges, operation, maintenance, and administrative costs of streetlights, landscape maintenance, including streetscape which may include, but is not limited to, all landscaping materials such as ground cover, shrub, trees, plants, irrigation, trash removal, weed control, water costs, and other abatements, electricity, repair/replacement and inspection.

Each new CFD is created for a specific residential development or developments when facilities are requested to be maintained by the County. A special tax is levied according to a Rate and Method of Apportionment (RMA) developed to the specific features within that District, and a special tax levy is annually placed on the tax roll for each Assessor Parcel Number (APN) noted in the CFD Boundary Map. Developer has petitioned the County to include their property into Community Facilities District 18-1M (Tramonte). The boundaries of CFD 18-1M (Tramonte) will encompass the entire Tract Map 36475 and is projected to include 171 assessable single family dwelling units.

On June 19, 2018, the County of Riverside Board of Supervisors approved agenda item 3.11, Resolution No. 2018-107, a resolution of intention as the initial step for forming the CFD and declaring the intention of the Board of Supervisors as required by the Mello-Roos Act of 1982 to levy a special tax to fund the service and maintenance functions requested by the Developer. The Resolution also directed that the Board of Supervisors hold a public hearing and submit the

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

formation of the proposed CFD 18-1M (Tramonte) to the landowners at a special election to be conducted by mailed ballot if a majority protest does not occur.

On July 31, 2018, per agenda item 9.3, the County of Riverside Board of Supervisors held a public hearing to receive public comments and conduct a majority protest hearing. At the conclusion of the public hearing, the Board of Supervisors adopted Resolution No. 2018-129, a Resolution of the Board of Supervisors of the County of Riverside of Formation of Community Facilities District 18-1M (Tramonte) of the County of Riverside, Authorizing the Levy of a Special Tax within Said District to Pay for Certain Landscaping and Street Lighting Services; Calling a Special Election to submit to the Respective Qualified Voters the Question of Levying Such Special Tax and Establishing an Appropriations Limit for Said District; and Designating the Election Official For Such Matters. Under the same agenda item, the required CFD report, Certificate of Registrar of Voters stating there are fewer than twelve registered voters, and Concurrence of Election Official in Date of Special Election were all received and filed.

The attached Statement of the Election Official regarding the Canvass of the Election declares the election results which were 169 'YES' votes for Proposition A and Proposition B as described in Section 14 of Resolution 2018-129 (Agenda Item 9.3 on 7/31/2018). Adoption of Proposed Resolution No. 2018-182 a Resolution of the Board of Supervisors of the County of Riverside will declare the results of the Consolidated Special Election within the boundary of Community Facilities District 18-1M (Tramonte). Proposed County Ordinance No. 945 would authorize and levy special taxes within boundary of Community Facilities District 18-1M (Tramonte).

**Reference**

The CFD Rate and Method of Apportionment (RMA) is consistent with the Mello-Roos Act of 1982. In November 1996, California voters passed Proposition 218, Right to Vote on Taxes Act which added Articles XIII C and XIII D to the California Constitution. The County may levy taxes within this CFD after complying with the requirements of the Mello-Roos Act of 1982 and the provisions of Proposition 218 Right to Vote on Taxes Act. The formation of the CFD adheres to Board Policy B-12 entitled "Land Secured Financing Districts" which was revised on January 27, 2015 to include "Service and Maintenance CFDs" to fund the ongoing maintenance of landscape, storm water, or other similar improvements and set goals and policies concerning Community Facilities Districts (CFD).

**Impact on Residents and Businesses**

Only the parcels with Assessor Parcel Numbers (APN) within the boundaries of the CFD which are represented by the Recorded Boundary Map are impacted by the special tax. By setting up this mechanism for the maintenance of certain infrastructure required by the development, the County requires that the development pay for its maintenance impact, rather than the obligation falling upon public funding sources. By specifically collecting and using the special tax revenue within the boundary of the CFD, there is a financial mechanism in place to insure the infrastructure is maintained. This CFD does not propose to fund the repayment of any bonds or

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

bond obligations and is solely for the purposes of funding the maintenance of Developer installed and County required infrastructure, particularly landscaping and streetlights. The Developer shall and is obligated to provide disclosure statements to potential buyers which outline the associated tax rate of a new home.

**SUPPLEMENTAL:**

**Additional Fiscal Information**

1. The budget for fiscal year 2019-2020, as reflected in the Rate and Method of Apportionment, will result in a Maximum Special Tax of \$1,008 per taxable unit annually for a Residential Property and \$1,366 per acre annually for Multi-Family Residential and Non-Residential property (as defined in the Rate and Method of Apportionment attached as Exhibit A to the Ordinance). The Maximum Special Tax amount may be adjusted by the minimum of 2% or a maximum of 6% or the cumulative percentage increase in the Consumer Price Index for all Urban Consumers (CPI-U) in effect in the previous Fiscal Year, as it stands as of March of each year over the base index for March of 2019. There are no General Funds used in this project.

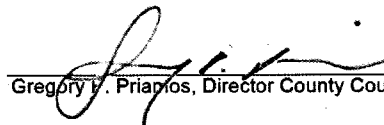
**Contract History and Price Reasonableness**

N/A

**ATTACHMENTS:**

- Recorded CFD Boundary Map (reference only)
- Statement of the Election Official regarding the Canvass of the Election for the CFD
- Resolution No. 2018-182
- Proposed Ordinance No. 945

  
Rehini Basma, Principal Management Analyst 10/22/2018

  
Gregory L. Priaplos, Director County Counsel 10/18/2018

2  
3 RESOLUTION NO. 2018-182

4 A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE  
5 DECLARING THE RESULTS OF CONSOLIDATED SPECIAL ELECTIONS WITHIN COMMUNITY  
6 FACILITIES DISTRICT NO. 18-1M (TRAMONTE)  
7 OF THE COUNTY OF RIVERSIDE

8  
9 WHEREAS, on July 31, 2018 the Board of Supervisors (the "Board of Supervisors") of the  
10 County of Riverside adopted Resolution No. 2018-129 forming Community Facilities District No. 18-1M  
11 (Tramonte) of the County of Riverside (the "Community Facilities District") and calling a special election  
12 for submitting to the voters propositions with respect to the levy of an annual special tax within the  
13 Community Facilities District and establishing an appropriations limit for the Community Facilities  
14 District; and

15 WHEREAS, the Board of Supervisors has received a statement from the Executive  
16 Director of the Economic Development Agency, who was appointed to serve as the election official of the  
17 election (the "Election Official") pursuant to Resolution No. 2018-129, with respect to the canvass of the  
18 ballots returned in and the results of the consolidated special elections, certifying that more than two-  
19 thirds of the votes cast upon the propositions submitted to the voters within the Community Facilities  
20 District were cast in favor of the propositions.

21 NOW, THEREFORE, BE IT RESOLVED, FOUND AND ORDERED by the Board of  
22 Supervisors of the County of Riverside, in regular session assembled on October 30, 2018, as follows:

23 Section 1. All of the above recitals are true and correct.

24 Section 2. Findings. The Board of Supervisors finds that: (i) there were no persons  
25 registered to vote within the boundaries of the Community Facilities District at the time of the close of the  
26 public or protest hearing on July 31, 2018, and, pursuant to Section 53326 of the California Government  
27 Code ("Section 53326"), the vote in the consolidated special elections for the Community Facilities  
28 District was, therefore, to be by the landowners owning land within the Community Facilities District,

FORM APPROVED COUNTY COUNSEL  
BY MCT / 16 OCT 2018  
DATE  
MICHAEL C THOMAS

1 with each landowner having one vote for each acre or portion of an acre of land that he or she owned  
2 within the Community Facilities District which would have been subject to the special tax if levied at the  
3 time of the consolidated special elections; (ii) pursuant to Section 53326 and Resolution No. 2018-129,  
4 the Election Official caused the ballots for the consolidated special elections for the Community Facilities  
5 District to be delivered to the owners of the property within the Community Facilities District (the  
6 "Property Owners"); (iii) the Property Owners waived the time limits for holding the consolidated special  
7 elections and the election dates specified in Section 53326, and consented to the calling and holding of the  
8 consolidated special elections on July 31, 2018; (iv) the consolidated special elections have been properly  
9 conducted in accordance with all statutory requirements and the provisions of Resolution No. 2018-129;  
10 (v) pursuant to Section 53326, based on the acreage of their land ownership within the Community  
11 Facilities District, the Property Owners, as the owners of all of the property within such Community  
12 Facilities District, were entitled to 169 votes in the consolidated special elections; (vi) the ballots for the  
13 consolidated special elections were returned by the Property Owners to the Election Official prior to 5:00  
14 p.m. on July 31, 2018; (vii) the ballots returned to the Election Official by the Property Owners voted all  
15 votes to which they were entitled in favor of all propositions set forth therein; (viii) more than two-thirds  
16 of the votes cast in the consolidated special elections on each proposition were cast in favor thereof, and  
17 pursuant to Section 53328 of the California Government Code, all such propositions carried; (ix) the  
18 Board of Supervisors, as the legislative body of the Community Facilities District, is therefore authorized  
19 to annually levy special taxes on taxable property in the Community Facilities District, in amounts  
20 sufficient to fund, pay for, and finance authorized lighting and maintenance services for streets, roads,  
21 parks, parkways and open space (as specified and reflected in the Resolution of Intention, the Resolution  
22 of Formation, and the Rate and Method of Apportionment of Special Tax) and to pay expenses incidental  
23 thereto and incidental to the levy and collection of the special taxes, so long as the special taxes are  
24 needed to fund such services, at the special tax rates and pursuant to the Rate and Method of  
25 Apportionment attached to Resolution No. 2018-129; and (x) an appropriations limit for the Community  
26 Facilities District has been established in the amount of \$4,000,000.

27 Section 3. Declaration of Results. All votes voted in the consolidated special elections on  
28 (i) the proposition with respect to the annual levy of special taxes on taxable property within the

1 Community Facilities District, consistent with the Rate and Method of Apportionment, in amounts  
2 sufficient to fund, pay for, and finance authorized lighting and maintenance services for streets, roads,  
3 parks, parkways and open space and to pay expenses incidental thereto and expenses incidental to the levy  
4 and collection of the special taxes, so long as the special taxes are needed to fund such services and (ii)  
5 the proposition with respect to establishing an appropriations limit for the Community Facilities District  
6 in the amount of \$4,000,000 were voted in favor thereof; and both such propositions carried.

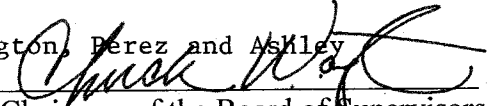
7 Section 4. Effect of Elections. The effect of the results of the consolidated special  
8 elections, as specified in Section 3 hereof, is that the Board of Supervisors, as the legislative body of the  
9 Community Facilities District, is authorized to annually levy special taxes on taxable property within the  
10 Community Facilities District in amounts sufficient to fund, pay for, and finance authorized lighting and  
11 maintenance services for streets, roads, parks, parkways and open space and to pay expenses incidental  
12 thereto and expenses incidental to the levy and collection of the special taxes, so long as the special taxes  
13 are needed to fund such services in accordance with the Rate and Method of Apportionment set forth in  
14 Exhibit B to Resolution No. 2018-129 adopted by the Board of Supervisors on July 31, 2018; and that an  
15 appropriations limit of \$4,000,000 has been established for the Community Facilities District.

16 Section 5. Notice of Special Tax Lien. The Clerk is authorized and directed to record a  
17 notice of special tax lien as provided in Section 53328.3 of the California Government Code and Section  
18 3114.5 of the California Streets and Highways Code.

19 ADOPTED this 30th day of October, 2018.

20 ROLL CALL:


21 Ayes: Jeffries, Tavaglione, Washington, Perez and Ashley  
22 Nays: None  
23 Absent: None

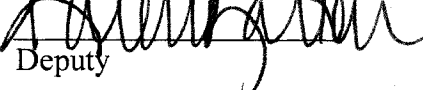
  
Chairman of the Board of Supervisors

24 ATTEST:

25 Kecia Harper-Ihem  
26 Clerk of the Board of Supervisors

The foregoing is certified to be a true copy of a  
resolution duly adopted by said Board of Super-  
visors on the date therein set forth.

KECIA HARPER-IHEM Clerk of said Board  
By:  Deputy

27 By:   
28 Deputy

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

ORDINANCE NO. 945

AN ORDINANCE OF THE COUNTY OF RIVERSIDE  
AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN  
COMMUNITY FACILITIES DISTRICT NO. 18-1M (TRAMONTE)  
OF THE COUNTY OF RIVERSIDE

The Board of Supervisors of the County of Riverside ordains as follows:

Section 1. FINDINGS. The Board of Supervisors finds that:

a. Pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, (the "Act"), commencing with Section 53311 of the California Government Code (the "Government Code"), on June 19, 2018, the Board of Supervisors (the "Board of Supervisors") of the County of Riverside (the "County") adopted Resolution No. 2018-107 (the "Resolution of Intention"), stating its intention to establish a community facilities district (the "Community Facilities District") proposed to be named Community Facilities District No. 18-1M (Tramonte) of the County of Riverside (the "District"), and to authorize the levy of special taxes to fund, pay for, and finance authorized lighting and maintenance services for streets, roads, parks, parkways and open space (as specified and reflected in the Resolution of Intention, the Resolution of Formation, and the Rate and Method of Apportionment of Special Tax) (the "Services") and to pay expenses incidental thereto and incidental to the levy and collection of the special taxes, so long as the special taxes are needed to fund the Services, and setting July 31, 2018 as the date for a public hearing to be held on the establishment of the Community Facilities District.

b. On July 31, 2018, the Board of Supervisors opened, conducted and closed said public hearing. At said public hearing, all persons desiring to be heard on all matters pertaining to the proposed establishment of the Community Facilities District, the furnishing of the Services, and the proposed levy of an annual special tax were heard. Written protests, if any, were received, and a full and fair hearing was held.



1 c. Subsequent to said public hearing, the Board of Supervisors adopted  
2 Resolution No. 2018-129 (the "Resolution of Formation"), establishing the District, authorizing the levy  
3 of a special tax within the District to fund the Services, subject to voter approval, establishing an annual  
4 appropriations limit of \$4,000,000 for the District, subject to voter approval, and calling a special election  
5 for the District for July 31, 2018 on the propositions to levy a special tax within the District and to  
6 establish an appropriations limit for the District.

7 d. Pursuant to the terms of the Resolution of Formation and the provisions of  
8 the Act, said special election was held on July 31, 2018. Each of the propositions was approved by more  
9 than two-thirds of the votes cast at said special election.

10 e. Pursuant to the Act, the Board of Supervisors is the *ex officio* legislative  
11 body (the "Legislative Body") of the District.

12 Section 2. PURPOSE. The purpose of this ordinance is to provide for the levy of a  
13 special tax within the District.

14 Section 3. AUTHORITY. This ordinance is adopted pursuant to Sections 53328 and  
15 53340 of the California Government Code, which authorizes counties to adopt ordinances to levy special  
16 taxes at the rate and in accordance with the method of apportionment specified in the resolution of  
17 formation of the community facilities district.

18 Section 4. LEVY OF SPECIAL TAXES.

19 a. By the passage of this Ordinance, the Board of Supervisors hereby  
20 authorizes and levies special taxes within the District pursuant to Sections 53328 and 53340 of the  
21 Government Code, at the rate and in accordance with the method of apportionment (the "Rate and  
22 Method") set forth in the Resolution of Formation and attached as Exhibit A hereto and made a part  
23 hereof. The special taxes are hereby levied commencing in the fiscal year 2018-2019 and in each fiscal  
24 year thereafter for the period necessary to satisfy the Special Tax Requirement (as defined in the Rate and  
25 Method) and until action is taken by the Board of Supervisors, acting as the Legislative Body of the  
26 District, to dissolve the District.

27 b. The Board of Supervisors, acting as the Legislative Body of the District, is  
28 hereby authorized and directed each fiscal year to determine, or cause to be determined, the specific

1 special tax rate and amount to be levied for the next ensuing fiscal year for each parcel of real property  
2 within the District, in the manner and as provided in the Rate and Method.

3 c. All of the collections of the special tax shall be used as provided for in the  
4 Act, the Rate and Method and the Resolution of Formation, including, but not limited to, to fund, pay for,  
5 and finance authorized lighting and maintenance services for streets, roads, parks, parkways and open  
6 space and to pay expenses incidental thereto, so long as the special taxes are needed to fund such services;  
7 to replenish the reserve fund for the District; to pay the costs of administering the District, and to pay the  
8 costs of collecting and administering the special tax.

9 d. The special taxes shall be collected from time to time as necessary to meet  
10 the financial obligations of the District on the secured real property tax roll in the same manner as  
11 ordinary *ad valorem* taxes are collected, or may be collected in such other manner as set forth in the Rate  
12 and Method. The special taxes shall have the same lien priority, and shall be subject to the same penalties  
13 and the same procedure and sale in cases of delinquency as provided for *ad valorem* taxes. The Board of  
14 Supervisors, acting as the Legislative Body of the District, is hereby authorized and directed to take all  
15 actions necessary in order to effect the proper billing and collection of the special tax, so that the special  
16 tax shall be levied and collected in sufficient amounts and at the times necessary to satisfy the financial  
17 obligations of the District in each fiscal year.

18 e. Notwithstanding the foregoing, the Board of Supervisors, acting as the  
19 Legislative Body of the District, may collect, or cause to be collected, one or more installments of the  
20 special taxes by means of direct billing by the District of the property owners within the District if, in the  
21 judgment of the Legislative body, such means of collection will reduce the burden of administering the  
22 District or is otherwise appropriate in the circumstances. In such event, the special taxes shall become  
23 delinquent if not paid when due as set forth in any such respective billing to the property owners.

24 Section 5. EXEMPTIONS. Properties or entities of the state, federal or other local  
25 governments shall be exempt from any levy of the special taxes, to the extent set forth in the Rate and  
26 Method. In no event shall the special taxes be levied on any parcel within the District in excess of the  
27 maximum tax specified in the Rate and Method.



1 EXHIBIT A

2 RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR  
3 COMMUNITY FACILITIES DISTRICT 18-1M (TRAMONTE)  
4 OF THE COUNTY OF RIVERSIDE  
5 STATE OF CALIFORNIA

6 A Special Tax (all capitalized terms are defined in Section A. Definitions, below) shall be  
7 applicable to each Parcel of Taxable Property located within the boundaries of Community  
8 Facilities District (CFD) 18-1M (Tramonte). The amount of Special Tax to be levied on a Parcel  
9 in each Fiscal Year, commencing in Fiscal Year 2019-2020, shall be determined by the  
10 Riverside County Board of Supervisors, acting in its capacity as the legislative body of the CFD  
11 by applying the appropriate Special Tax as set forth in Sections B., C., and D., below. All of the  
12 real property within the CFD, unless exempted by law or by the provisions of Section E. below,  
13 shall be taxed for the purposes, to the extent, and in the manner herein provided.

14 **A. DEFINITIONS**

15 The terms hereinafter set forth have the following meanings:

16 **"Acre" or "Acreage"** means the land area of a Parcel as indicated on the most recent  
17 Assessor's Parcel Map, or if the land area is not shown on the Assessor's Parcel Map, the land  
18 area shown on the applicable Final Map, condominium plan, or other recorded County map or  
19 the land area calculated to the reasonable satisfaction of the Administrator using the boundaries  
20 set forth on such map or plan. The square footage of a Parcel is equal to the Acreage of such  
21 Parcel multiplied by 43,560.

22 **"Act"** means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter  
23 2.5 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California.

24 **"Administrative Expenses"** means all actual or reasonably estimated costs and expenses of  
25 the CFD that are chargeable or allocable to carry out the duties of the Administrator of the CFD  
26 as allowed by the Act, which shall include without limitation, all costs and expenses arising out  
27 of or resulting from the annual levy and collection of the Special Tax (whether by the County or  
28 designee thereof, or both), any litigation or appeal involving the CFD, and other administrative  
expenses of the County or designee thereof, or both, directly related to the CFD. Administrative  
Expenses shall also include amounts estimated or advanced by the County or CFD for  
attorney's fees and other costs related to commencing and pursuing to completion any  
foreclosure as a result of delinquent Special Taxes.

**"Administrator"** means an official of the County, or designee thereof, responsible for  
determining the annual amount of the levy and collection of the Special Taxes.

**"Approved Property"** means all Parcels of Taxable Property: (i) that are included in a Final  
Map that was recorded prior to the January 1<sup>st</sup> preceding the Fiscal Year in which the Special  
Tax is being levied, and (ii) that have not been issued a Building Permit prior to the April 1<sup>st</sup>  
preceding the Fiscal Year in which the Special Tax is being levied.

1     **“Assessor”** means the Assessor of the County.

2  
3     **“Assessor’s Parcel Map”** means an official map of the Assessor of the County designating  
4     Parcels by Assessor’s Parcel Number.

5     **“Assessor’s Parcel Number”** means the number assigned to a lot or Parcel for purposes of  
6     identification as determined from an Assessor Parcel Map or the applicable assessment roll.

7     **“Base Year”** means the Fiscal Year ending June 30, 2019.

8     **“Board”** means Riverside County Board of Supervisors, acting in its capacity as the legislative  
9     body of the CFD.

10     **“Boundary Map”** means a recorded map of the CFD which indicates by a boundary line the  
11     extent of the territory identified to be subject to the levy of Special Taxes.

12     **“Building Permit”** means the first legal document issued by a local agency giving official  
13     permission for new construction. For purposes of this definition, Building Permit shall not  
14     include any subsequent Building Permits issued or changed after the first issuance.

15     **“CFD”** means Community Facilities District 18-1M (Tramonte) of the County of Riverside.

16     **“Consumer Price Index”** means the cumulative percentage increase in the Consumer Price  
17     Index published by the U.S. Bureau of Labor Statistics for All Urban Consumers in the Los  
18     Angeles-Riverside-Orange County Area, as it stands in March of each year over the base index  
19     of 2018. In the event this index ceases to be published, the Consumer Price Index shall be  
20     another index as determined by the Administrator that is reasonably comparable to the  
21     Consumer Price Index for the Los Angeles-Riverside-Orange County Area.

22     **“County”** means the County of Riverside, California.

23     **“Developed Property”** means all Parcels of Taxable Property: (i) that are included in a Final  
24     Map that was recorded prior to January 1<sup>st</sup> preceding the Fiscal Year in which the Special Tax is  
25     being levied, and (ii) for which a Building Permit for new construction has been issued prior to  
26     April 1<sup>st</sup> preceding the Fiscal Year in which the Special Tax is being levied.

27     **“Dwelling Unit” or “(D/U)”** means a residential unit that is used or intended to be used as a  
28     domicile by one or more persons, as determined by the Administrator.

29     **“Exempt Property”** means any Parcel which is exempt from Special Taxes pursuant to  
30     Section E., below.

31     **“Final Map”** means a subdivision of property by recordation of a tract map, parcel map or lot  
32     line adjustment, pursuant to the Subdivision Map Act (California Government Code Section  
33     66410 *et seq.*) or recordation of a condominium plan pursuant to California Civil Code 1352 that  
34     creates individual lots for which Building Permits may be issued without further subdivision.

1 **"Fiscal Year"** means the 12 month period starting on July 1 of any calendar year and ending  
2 the following June 30.

3 **"Land Use Class"** means any of the classes listed in Table 1 of Section C. below.

4 **"Maximum Special Tax"** means for each Parcel in each Fiscal Year, the greatest amount of  
5 Special Tax, determined in accordance with Section C., below, which may be levied on such  
6 Parcel in each Fiscal Year.

7 **"Multi-family Residential Property"** means all Parcels of Residential Property that consist of  
8 a building or buildings comprised of attached Dwelling Units available for rental by the general  
9 public, not for sale to an end user, and under common management.

10 **"Non-Residential Property"** means all Parcels of Developed Property for which a Building  
11 Permit was issued, permitting the construction of one or more non-residential structures.

12 **"Parcel"** means a lot or parcel within the CFD shown on an Assessor's Parcel Map with an  
13 assigned Assessor's Parcel Number valid as of July 1<sup>st</sup> for the Fiscal Year for which the Special  
14 Tax is being levied.

15 **"Property Owners Association Property"** means all Parcels which have been conveyed,  
16 dedicated to, or irrevocably offered for dedication to a property owner association, including any  
17 master or sub-association, prior to April 1<sup>st</sup> preceding the Fiscal Year in which the Special Tax is  
18 being levied.

19 **"Proportionately"** means for Parcels of Taxable Property that are (i) Developed Property, that  
20 the ratio of the actual Special Tax levy to Maximum Special Tax is the same for all Parcels of  
21 Developed Property, (ii) Approved Property, that the ratio of the actual Special Tax levy to the  
22 Maximum Special Tax is the same for all Parcels of Approved Property, and (iii) Undeveloped  
23 Property, Public Property or Property Owners Association Property, that the ratios of the actual  
24 Special Tax levy per Acre to the Maximum Special Tax per Acre is the same for all Parcels of  
25 Undeveloped Property, Public Property and Property Owners Association Property.

26 **"Public Property"** means all Parcels which, as of April 1<sup>st</sup> preceding the Fiscal Year in which  
27 the Special Tax is being levied, are (i) used for rights-of-way or any other purpose and is owned  
28 by, dedicated to, or irrevocably offered for dedication to the federal government, the State, the  
County, City or any other public agency, provided, however, that any property leased by a public  
agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be  
taxed and classified according to its use; or (ii) encumbered by an unmanned utility easement  
making impractical its utilization for other than the purpose set forth in the easement.

**"Residential Property"** means all Parcels of Developed Property for which a Building Permit  
has been issued permitting the construction of one or more residential Dwelling Units.

**"Single Family Property"** means all Parcels of Residential Property, other than Multi-family  
Residential Property.

1 **"Special Tax"** means the special tax to be levied in each Fiscal Year on each Parcel of  
2 Taxable Property in accordance with Section D. to fund the Special Tax Requirement.

3 **"Special Tax Requirement"** means for each Fiscal Year, that amount required to: (i) pay the  
4 estimated cost of Special Tax Services for such Fiscal Year as determined by the County; (ii)  
5 fund the Special Tax Reserve Fund in an amount equal to the lesser of (a) an amount equal to  
6 20% of the Special Tax Reserve Fund Requirement or (b) the amount needed to fund the  
7 Special Tax Reserve Fund up to the Special Tax Reserve Fund Requirement, (iii) pay  
8 Administrative Expenses; (iv) pay for anticipated Special Tax delinquencies based on actual  
9 delinquencies from the prior Fiscal Year outstanding at the time the annual Special Tax levy is  
10 determined; and (v) less a credit for funds available to reduce the annual Special Tax levy as  
11 determined by the Administrator.

12 **"Special Tax Reserve Fund"** means a fund to be used for capital replacement and  
13 maintenance costs related to the Special Tax Services.

14 **"Special Tax Reserve Fund Requirement"** means an amount up to 150% of the anticipated  
15 annual cost of Special Tax Services of \$258,544 for the Base Year. The Special Tax Reserve  
16 Fund Requirement shall be increased annually, commencing July 1, 2019, based on the  
17 percentage increase in the Consumer Price Index with a maximum annual increase of six  
18 percent (6%) and a minimum annual increase of two percent (2%) of the amount in effect in the  
19 previous Fiscal Year.

20 **"Special Tax Services"** i) Administration, inspection, and maintenance of all stormwater  
21 facilities and BMPs to include: water quality basins, fossil filters, basin forebays, and all other  
22 NPDES/WQMP/BMP related devices and structures as approved and accepted by the CFD.  
23 Administration includes, but is not limited to, quality control and assurance of inspections and  
24 maintenance, general contract management, scheduling of inspections and maintenance, and  
25 general oversight of all NPDES/WQMP/BMP operations. Inspection includes, but is not limited  
26 to, travel time, visual inspection process and procedures for functionality, GPS location  
27 recording, assurance of proper vegetation, functioning irrigation, and citing any of the following:  
28 operational or structural deficiencies, erosion, trash, silt and sediment build-up. Maintenance  
includes, but is not limited to, repair or replacement of any deficiencies noted during inspection,  
weed control and abatement, trash removal, and healthy upkeep of required plant materials. (ii)  
Street lighting includes energy charges, operation, maintenance, and administration of street  
lighting located within the designated boundaries of the CFD. (iii) Maintenance of landscaped  
improvements in the public right of way to include plant and tree material, irrigation systems,  
decomposed granite trail systems, graffiti abatement, and vinyl fence repair and replacement.

29 **"State"** means the State of California.

30 **"Taxable Property"** means all Parcels within the boundary of the CFD pursuant to the  
31 Boundary Map which are not exempt from the Special Tax pursuant to Section E., below.

32 **"Taxable Unit"** means either a Dwelling Unit or an Acre, as shown in Table 1.

33 **"Undeveloped Property"** means all Parcels of Taxable Property not classified as Developed  
34 Property, Approved Property, Public Property or Property Owners Association Property.

1 **B. ASSIGNMENT TO LAND USE CLASS**

2 Each Fiscal Year, commencing with Fiscal Year 2019-2020, all Parcels of Taxable Property  
3 shall be classified as either Developed Property, Approved Property, Undeveloped Property,  
4 Public Property or Property Owners Association Property, and subject to the levy of Special  
5 Taxes in accordance with this Rate and Method of Apportionment as determined pursuant to  
6 Sections C. and D.

7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
Parcels of Developed Property shall further be classified as Residential Property or Non-  
Residential Property. Parcels of Residential Property shall further be classified as Single Family  
Property or Multi-family Residential Property.

8 **C. MAXIMUM SPECIAL TAX RATES**

9 **1. Developed Property**

10 The Maximum Special Tax that may be levied and escalated, as explained further in  
11 Section C.1. (a) below, in each Fiscal Year for each Parcel classified as Developed  
12 Property shall be determined by reference to Table 1, below.

13 **TABLE 1**  
14 **Maximum Special Tax Rates for Developed**  
15 **Property for Fiscal Year 2019-2020**

Land Use Class	Description	Taxable Unit	Maximum Special Tax Per Taxable Unit
1	Single Family Property	D/U	\$1,008
2	Multi-family Residential Property	Acre	\$1,366
3	Non-Residential Property	Acre	\$1,366

20 (a) Increase in the Maximum Special Tax

21 On each July 1, following the Base Year, the Maximum Special Tax, identified in Table 1,  
22 above, shall be increased annually, commencing July 1, 2019, based on the percentage  
23 increase in the Consumer Price Index with a maximum annual increase of six percent  
24 (6%) and a minimum annual increase of two percent (2%) of the Maximum Special Tax in  
effect in the previous Fiscal Year.

25 (b) Multiple Land Use Classes

26 In some instances a Parcel of Developed Property may contain more than one Land Use  
27 Class. The Maximum Special Tax that may be levied on such Parcel shall be the sum of  
28 the Maximum Special Tax that can be levied for each Land Use Class located on that  
Parcel. For a Parcel that contains more than one Land Use Class, the Acreage of such



1 Parcel shall be allocated to each type of property based on the amount of Acreage  
2 designated for each land use as determined by reference to the site plan approved for  
3 such Parcel. The Administrator's allocation to each Land Use Class shall be final.

## 4 **2. Approved Property**

5 The Maximum Special Tax for each Parcel of Approved Property shall be equal to the  
6 product of the applicable Undeveloped Property Maximum Special Tax per Acre times  
7 the Acreage of such Parcel; provided, however, for a Parcel of Approved Property that is  
8 expected to become Single Family Property as reasonably determined by the  
9 Administrator based on the Final Map for such Parcel, the Maximum Special Tax for such  
10 Parcel of Approved Property shall be calculated pursuant to Section C.1. as if such  
11 Parcel were already designated as Developed Property and classified as Single Family  
12 Property.

13 The Maximum Special Tax for Approved Property shall be increased annually,  
14 commencing July 1, 2019, based on the percentage increase in the Consumer Price  
15 Index with a maximum annual increase of six percent (6%) and a minimum annual  
16 increase of two percent (2%) of the corresponding Maximum Special Tax in effect in the  
17 previous Fiscal Year.

## 18 **3. Undeveloped Property**

19 The Maximum Special Tax that may be levied and escalated for each Parcel classified as  
20 Undeveloped Property shall be \$9,811 per Acre.

21 The Maximum Special Tax for Undeveloped Property shall be increased annually,  
22 commencing July 1, 2019, based on the percentage increase in the Consumer Price  
23 Index with a maximum annual increase of six percent (6%) and a minimum annual  
24 increase of two percent (2%) of the corresponding Maximum Special Tax in effect in the  
25 previous Fiscal Year.

## 26 **4. Public Property and/or Property Owners Association Property**

27 The Maximum Special Tax that may be levied and escalated for each Parcel classified as  
28 Public Property and/or Property Owners Association Property shall be \$0.00 per Acre.  
**There shall be no levy on Public Property and/or Property Owners Association  
Property.**

## 29 **D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX**

30 Commencing with Fiscal Year 2019-2020 and for each following Fiscal Year, the  
31 Administrator shall levy the Special Tax on all Taxable Property until the amount of  
32 Special Tax equals the Special Tax Requirement in accordance with the following steps:

1 First: The Special Tax shall be levied Proportionately on each Parcel of Developed  
2 Property at up to 100% of the applicable Maximum Special Tax as needed to satisfy the  
Special Tax Requirement;

3 Second: If additional moneys are needed to satisfy the Special Tax Requirement after  
4 the first step has been completed, the Special Tax shall be levied Proportionately on  
5 each Parcel of Approved Property at up to 100% of the Maximum Special Tax for  
Approved Property.

6 Third: If additional moneys are needed to satisfy the Special Tax Requirement after the  
7 first two steps have been completed, the Special Tax shall be levied Proportionately on  
8 each Parcel of Undeveloped Property at up to 100% of the applicable Maximum Special  
Tax for Undeveloped Property.

9 Notwithstanding the above, under no circumstances will the Special Taxes levied in any Fiscal  
10 Year against any Parcel of Residential Property for which a Certificate of Occupancy has been  
11 issued be increased by more than ten percent (10%) as a result of a delinquency in the payment  
of the Special Tax applicable to any other Parcel above the amount that would have been levied  
in that Fiscal Year had there never been any such delinquency or default.

#### 12 **E. EXEMPTIONS**

13 The CFD shall not levy Special Taxes on Public Property or Property Owners Association  
14 Property within the CFD.

#### 15 **F. MANNER OF COLLECTION**

16 The Special Tax shall be collected in the same manner and at the same time as ordinary *ad*  
17 *valorem* property taxes and shall be subject to the same penalties, the same procedure, sale  
18 and lien priority in the case of delinquency; provided, however, that the Administrator may  
19 directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner  
20 if necessary to meet the financial obligations of the CFD, and provided further that the CFD may  
covenant to foreclose and may actually foreclose on Parcels having delinquent Special Taxes  
as permitted by the Act.

#### 21 **G. APPEALS**

22 Any taxpayer may file a written appeal of the Special Tax on his/her Parcel(s) with the  
23 Administrator, provided that the appellant is current in his/her payments of Special Taxes.  
24 During pendency of an appeal, all Special Taxes must be paid on or before the payment due  
25 date established when the levy was made. The appeal must specify the reasons why the  
26 appellant claims the Special Tax is in error. The Administrator shall review the appeal, meet  
27 with the appellant if the Administrator deems necessary, and advise the appellant of its  
determination. If the Administrator agrees with the appellant, the Administrator shall grant a  
credit to eliminate or reduce future Special Taxes on the appellant's Parcel(s). No refunds of  
previously paid Special Taxes shall be made.

28

1 The Administrator shall interpret this Rate and Method of Apportionment and make  
2 determinations relative to the annual levy and administration of the Special Tax and any  
3 taxpayer who appeals, as herein specified.

3 **H. TERM OF THE SPECIAL TAX**

4 The Special Tax shall be levied annually in perpetuity unless terminated earlier by the County.  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

PRC  
COMMUNITY FACIL  
COUNTY OF I



270070004-4

STATEMENT FROM THE ASSISTANT DIRECTOR OF EDA (ACTING AS ELECTION OFFICIAL) TO THE BOARD OF SUPERVISORS AS TO THE CANVASS OF BALLOTS VOTED IN AND THE RESULTS OF THE CONSOLIDATED SPECIAL ELECTIONS FOR COMMUNITY FACILITIES DISTRICT NO. 18-1M (TRAMONTE) OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, HELD ON JULY 31, 2018

I, Suzanne Holland, Assistant Director of EDA of Riverside County, acting as the election official pursuant to Resolution No. 2018-129 adopted by the Board of Supervisors of Riverside County ("Board of Supervisors") on July 31, 2018, make the following statements regarding the consolidated special elections held within and for Community Facilities District No. 18-1M (TRAMONTE) of the County of Riverside, State of California (the "Community Facilities District"), on July 31, 2018, on (i) the proposition with respect to the annual levy of special taxes on taxable property within the Community Facilities District to fund, pay for, and finance authorized maintenance services for streets, roads, parks, parkways and open space and to pay expenses incidental thereto and (ii) the proposition with respect to establishing an appropriations limit for the Community Facilities District:

(1) I have received a signed written waiver entitled "Petition, Waiver, and Consent" from the owner of all the land within the Community Facilities District ("Owner").

(2) The written waiver, among other matters, waived compliance with the provisions of Section 53326 of the Government Code to the effect that a special election with respect to the levy of special taxes within the Community Facilities District must be held at least ninety (90) days, but not more than one hundred eighty (180) days, following the adoption of the resolution of formation establishing the Community Facilities District and consented to the holding of the consolidated special elections on July 31, 2018.

(3) I have received a written certification from the Registrar of Voters of the County of Riverside, stating that there are no registered voters residing within the Community Facilities District. Accordingly, pursuant to Section 53326 of the Government Code, and as determined by the Board of Supervisors in Resolution No. 2018-129, the vote in the consolidated special elections was to be by the landowners of the Community Facilities District, with each landowner having one vote for each acre, or portion thereof, of land that he or she owns within the Community Facilities District.

(4) Pursuant to Resolution No. 2018-129, an Official Ballot together with a Ballot Pamphlet and Instructions to Voter containing Instructions to Landowner Voter, a Sample Ballot, and a copy of Resolution No. 2018-107 adopted by the Board of Supervisors on June 19, 2018 was delivered to the Owner. Also delivered to the Owner was an official identification envelope, with return postage affixed thereto, for returning the voted Official Ballot.

(5) Pursuant to Section 53326 of the Government Code, for purposes of the consolidated special elections, the Owner was entitled to one vote for each acre, or portion thereof, of land within the Community Facilities District which Owner owned.

Based on the approximate acreage of land owned by the Owner within the Community Facilities District, Owner was entitled to the following votes.

<u>Owner</u>	<u>Acreage</u>	<u>Votes</u>
City Ventures Homebuilding, LLC	169	169
Totals	169	169

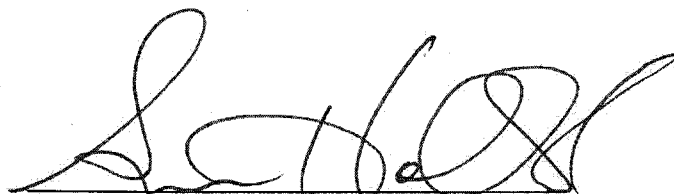
(6) The voted Official Ballot was returned to me by the Owner, sealed in the aforementioned identification envelope, prior to 5:00 p.m. on July 31, 2018. Each returned ballot was voted with a cross marked in the box after the word "YES" following each proposition set forth on the ballot and had a signed statement attached that the signer was entitled to vote the ballot on behalf of the Owner named therein, and that it was the intent of that Owner to vote all votes to which it was entitled in the manner marked on the ballot. I have canvassed the ballots returned in the consolidated special elections, being the Official Ballot above referred to, and determined that the results of the elections with respect to each proposition set forth in the Official Ballot are as follows:

Proposition A: 169 YES votes, 0 NO votes

Proposition B: 169 YES votes, 0 NO votes

(7) More than two-thirds of the votes cast in the consolidated special elections are in favor of all such propositions.

Dated: October 30, 2018



SUZANNE HOLLAND  
ASSISTANT DIRECTOR OF EDA  
COUNTY OF RIVERSIDE  
ELECTION OFFICIAL