

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



**ITEM: 19.1
(ID # 12594)**

MEETING DATE:

Tuesday, October 20, 2020

FROM: BUSINESS AND COMMUNITY SERVICES:

SUBJECT: BUSINESS AND COMMUNITY SERVICES (BCS): Public Hearing Regarding the Formation of Community Facilities District No. 20-1M (Springbrook) of the County of Riverside, Adopt Resolution of Formation, and Receive and File CFD Documents (CEQA Exempt); District 2; [\$737,380 on going cost]; CFD 20-1M (Springbrook)-100%

RECOMMENDED MOTION: That the Board of Supervisors:

1. With regard to the formation of Community Facilities District No. 20-1M (Springbrook) of the County of Riverside, conduct a public hearing to receive public comments and conduct a majority protest proceeding; and, after closing the public hearing,
2. Adopt Resolution No. 2020-204, a Resolution of the Board of Supervisors of the County of Riverside of Formation of Community Facilities District No. 20-1M (Springbrook) of the County of Riverside Authorizing the Levy of a Special Tax within Said District to Pay for Certain Street Lighting, Landscaping and Park Maintenance 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.

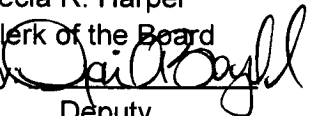
ACTION: Policy


Suzanne Holland, Director of EDA 9/22/2020

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Jeffries, seconded by Supervisor Perez and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, and Perez
Nays: None
Absent: Hewitt
Date: October 20, 2020
xc: BCS

Kecia R. Harper
Clerk of the Board
By: 
Deputy

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$737,380	\$ 0	\$ 737,380
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: CFD 20-1M (Springbrook) (100%)			Budget Adjustment: No	
			For Fiscal Year: 2021/22	

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). ERP Holding Co., Inc. is the Developer of Tracts 30908 and 30909 and petitioned that the County of Riverside Business and Community Services (BCS) 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 proposed district and has submitted an application and formation deposit. Subject to voter approval, a special tax shall be levied on each individual parcel located within the boundary of the proposed CFD to fund the costs associated with street lighting maintenance, which includes energy charges, operation, maintenance, and administration of street lighting located within the designated boundaries of the CFD, and maintenance of park and landscape improvements that may include, but are not limited to turf, ground cover, shrubs, trees, plants, irrigation and drainage systems, masonry walls or other fencing within the designated boundaries of the CFD.

Each new CFD is created for a specific residential development or developments when similar 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 tax levy is annually placed on the tax roll for each Assessor Parcel Number (APN) noted in the Proposed Boundary Map.

The property owner (ERP Holding Co., Inc.) of Tract Map Nos. 30908 and 30909 has petitioned the County to include their property into proposed Community Facilities District No. 20-1M (Springbrook).

The boundaries of CFD No. 20-1M (Springbrook) will encompass the entire Tract Map Nos. 30908 and 30909, which includes 644 single family dwelling units, none of which are currently occupied.

On September 15, 2020, the County Board of Supervisors approved Resolution No. 2020-142,

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a Resolution of Intention as the initial step for forming the CFD and declared 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 ERP Holding Co., Inc.

The Resolution also requires the Board of Supervisors hold a public hearing and submit the formation of the proposed CFD No. 20-1M (Springbrook) to the landowners at a special election to be conducted by mailed ballot if a majority protest does not occur.

Approval of proposed Resolution No. 2020-204, a Resolution of the Board of Supervisors of the County of Riverside will authorize the County to levy a special tax within the district boundary to pay for services requested in the proposed CFD No. 20-1M (Springbrook) upon voter approval. The resolution also calls for a special election to be held on October 20, 2020 and designates the election official for the proposed election. Only the landowners within the boundary of proposed CFD No. 20-1M (Springbrook) will have the right to vote on the proposed special tax. Results will be tallied and, if approved, a confirmation motion will be brought back to the Board of Supervisors for approval.

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 on this proposed 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 proposed 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 CFDs.

Impact on Residents and Businesses

Only the parcels with APN's within the boundaries of the proposed CFD which are represented by the Recorded Boundary Map (inclusive of Tract Map Nos. 30908 and 30909) are impacted by the special tax. By setting up a special tax 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 declining 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 ensure the infrastructure is maintained. This CFD does not propose to fund the repayment of any bonds or bond obligations and is solely for the purposes of funding the maintenance of Developer installed and County required infrastructure, particularly park, landscaping and street lighting. The Developer shall and is obligated to provide disclosure statements to potential buyers which outline the associated tax rate of a new home.

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SUPPLEMENTAL:

Additional Fiscal Information


The proposed budget of \$737,380 for fiscal year 2021-2022 will result in a special tax of \$1,145 per taxable parcel, pursuant to the Rate and Method of Apportionment. The annual tax 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 2021.


Contract History and Price Reasonableness

N/A

ATTACHMENTS:

- Recorded CFD Boundary Map (reference only)
- Resolution No. 2020-204
- CFD Report
- Certificate of Registrar of Voters
- Signed Concurrence of Election Official


Steven Atkeson 10/13/2020


Gregory F. Priamos, Director County Counsel 10/6/2020

CERTIFICATE OF MAILING

I, the undersigned, say that I am a citizen of the United States and am employed in the County of Riverside, am over the age of 18 years; and that I am readily familiar with this offices' practice of collection and processing correspondence for mailing. My business address is BCS Attn: CFD Administrator, 3403 10th St., Ste. 400, Riverside, CA 92501. Under this office's practice, mail would be deposited with the U.S. Postal Service on the same day with postage thereon fully prepaid at Riverside, California, in the ordinary course of business.

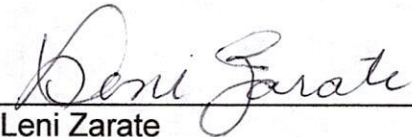
On Sept 25, 2020, I mailed a copy of the following documents:

Notice of Public Hearing to Landowner; Resolution No. 2020-142 and exhibits thereto by delivering a true copy thereof in a sealed, stamped, envelope(s) addressed as follows:

**ERP Holding Co., Inc.
Two N. Riverside Plaza, Ste. 400
Chicago, IL 60606**

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on Sept 28, 2020, at Riverside California.



Leni Zarate

CFD 20-1M (Springbrook)

1 Board of Supervisors

County of Riverside

2 RESOLUTION NO. 2020-204

3 A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE OF
 4 FORMATION OF COMMUNITY FACILITIES DISTRICT NO. 20-1M (SPRINGBROOK) OF THE
 5 COUNTY OF RIVERSIDE, AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN SAID
 6 DISTRICT TO PAY FOR CERTAIN STREET LIGHTING, LANDSCAPING AND PARK
 7 MAINTENANCE SERVICES; CALLING A SPECIAL ELECTION TO SUBMIT TO THE
 8 RESPECTIVE QUALIFIED VOTERS THE QUESTION OF LEVYING SUCH SPECIAL TAX AND
 9 ESTABLISHING AN APPROPRIATIONS LIMIT FOR SAID DISTRICT; AND DESIGNATING THE
 10 ELECTION OFFICIAL FOR SUCH MATTERS

11
 12 **WHEREAS**, on September 15, 2020, the Board of Supervisors (the "Board of Supervisors") of the
 13 County of Riverside (the "County"), pursuant to the Mello-Roos Community Facilities Act of 1982 (the
 14 "Act"), commencing with Section 53311 of the California Government Code (the "Government Code"),
 15 adopted Resolution No. 2020-142 (the "Resolution of Intention"), stating its intention to establish a
 16 community facilities district, proposed to be named Community Facilities District No. 20-1M
 17 (Springbrook) of the County of Riverside (the "Community Facilities District"), and to authorize the levy
 18 of special taxes to finance certain authorized services and setting October 20, 2020 as the date for a public
 19 hearing to be held on the establishment of the Community Facilities District;

20 **WHEREAS**, Section 53322 of the Government Code requires publication of the notice of the
 21 hearing at least seven (7) days prior to the date of the hearing;

22 **WHEREAS**, Section 53322.4 of the Government Code permits, but does not require, mailing of the
 23 notice of the hearing to each registered voter and landowner within the proposed district;

24 **WHEREAS**, notice of such public hearing was timely published in *The Press-Enterprise*, a
 25 newspaper of general circulation published in the area of the proposed district, as required by Section 53322
 26 of the Government Code;

27 **WHEREAS**, notice of such public hearing was mailed by first class mail, postage prepaid to each
 28 registered voter and landowner within the Community Facilities District, as permitted by Section 53322.4;

BY MCT MICHAEL C. THOMAS DATE 2 OCT 20

OCT 20 2020 19.1

1 **WHEREAS**, on this date, the Board of Supervisors conducted and closed said public hearing to
2 consider establishing the proposed Community Facilities District, the proposed levy of a special tax within
3 the Community Facilities District and a proposed appropriations limit;

4 **WHEREAS**, any and all persons interested, including all taxpayers, property owners and registered
5 voters within the proposed Community Facilities District were given an opportunity to appear and be heard
6 at said public hearing and a full hearing was held;

7 **WHEREAS**, pursuant to the Resolution of Intention, each officer of the County who is or will be
8 responsible for providing one or more of the proposed types of authorized services was directed to study,
9 or cause to be studied, the proposed Community Facilities District and, at or before said public hearing, file
10 a report with the Board of Supervisors containing a brief description of the authorized services by type
11 which will in his or her opinion be required to adequately meet the needs of the Community Facilities
12 District, and his or her estimate of the cost of providing the services proposed to be financed by the
13 Community Facilities District and the fair and reasonable cost of the incidental expenses proposed to be
14 paid;

15 **WHEREAS**, said report was so filed with the Board of Supervisors and made a part of the record
16 of said public hearing;

17 **WHEREAS**, at said public hearing, evidence was presented to the Board of Supervisors on the
18 matters before it, and the Board of Supervisors at the conclusion of the hearing was fully advised as to all
19 matters relating to the proposed establishment of the Community Facilities District and the furnishing of
20 specified types of services;

21 **WHEREAS**, written protests against the establishment of the Community Facilities District, the
22 furnishing of any specified type or types of authorized services within the Community Facilities District or
23 the levying of any specified special tax were not made or filed at or before the hearing by 50% or more of
24 the registered voters, or six registered voters, whichever is more, residing within the territory proposed to
25 be included in the Community Facilities District, or by the owners of one-half or more of the area of land
26 in the territory proposed to be included in the Community Facilities District and not exempt from the special
27 tax;

28 **WHEREAS**, there has been filed with the Clerk to the Board of Supervisors a certification of the

1 Registrar of Voters of the County that within the ninety-day period preceding the close of said public
2 hearing, zero (0) persons were registered to vote within the territory proposed to be included in the
3 Community Facilities District;

4 **WHEREAS**, on the basis of all of the foregoing, the Board of Supervisors has determined at this
5 time to proceed with the establishment of the Community Facilities District as provided by said Resolution
6 No. 2020-142 to submit to the qualified electors of the Community Facilities District propositions to
7 authorize the levy of a special tax pursuant to the Rate and Method of Apportionment of Special Tax
8 described in Exhibit B to Resolution No. 2020-142 and the Community Facilities District Report;

9 **WHEREAS**, the Board of Supervisors has received a Petition, Consent and Waiver of 100% of the
10 landowners within the boundaries of the Community Facilities District waiving certain election
11 requirements, time limits and formalities; and

12 **WHEREAS**, the Board of Supervisors has determined that the establishment of the Community
13 Facilities District is not a project for purposes of the California Environmental Quality Act (CEQA) and is
14 exempt from CEQA.

15 **NOW, THEREFORE, BE IT RESOLVED, FOUND, DETERMINED, AND ORDERED** by
16 the Board of Supervisors of the County of Riverside, State of California, in regular session assembled on
17 October 20, 2020, as follows:

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

19 **Section 2.** The Board of Supervisors hereby approves and adopts and confirms said Resolution
20 No. 2020-142, notice of which was published and mailed prior to the public hearing as required by law,
21 and, except as otherwise provided herein, reconfirms all of its findings and determinations contained in said
22 Resolution No. 2020-142.

23 **Section 3.** The Board of Supervisors hereby approves and adopts the Rate and Method of
24 Apportionment of Special Tax for the Community Facilities District and the manner of collection of the
25 special tax as set forth in Exhibit B to this resolution. To the extent required by Section 53325.1(a) of the
26 Government Code, all of the information contained in Resolution No. 2020-142 is incorporated herein and
27 made a part hereof.

28 **Section 4.** The Community Facilities District is hereby established according to the Act.

1 **Section 5.** The Community Facilities District is hereby named “Community Facilities District
2 No. 20-1M (Springbrook) of the County of Riverside.”

3 **Section 6.** The services to be provided and funded by the Community Facilities District are
4 described under the caption “Services” on Exhibit A hereto, which is by this reference incorporated herein.
5 The incidental expenses proposed to be incurred are identified under the caption “Incidental Expenses” on
6 Exhibit A hereto.

7 **Section 7.** The proposed special tax to be levied within the Community Facilities District has
8 not been precluded by majority protest pursuant to Section 53324 of the California Government Code; and
9 any and all written protests to the special tax and appropriations limit are hereby overruled.

10 **Section 8.** Except where funds are otherwise available, a special tax sufficient to pay for all
11 Services, secured by recordation of a continuing lien against all nonexempt real property in the Community
12 Facilities District, will be annually levied within the Community Facilities District. The rate and method
13 of apportionment of the special tax (the “Rate and Method”), in sufficient detail to allow each landowner
14 within the proposed Community Facilities District to estimate the maximum amount that he or she will have
15 to pay, is described in Exhibit B attached hereto, which is by this reference incorporated herein. The special
16 tax will be collected in the same manner as ordinary *ad valorem* property taxes or in such other manner as
17 the Board of Supervisors shall determine, including direct billing of the affected property owners.

18 The special tax will be levied annually, until terminated by the Board of Supervisors, as specified
19 in the Rate and Method.

20 **Section 9.** The name, address and telephone number of the office which will be responsible for
21 preparing annually a current roll of special tax levy obligations by assessor’s parcel number and which will
22 be responsible for estimating further special tax levies pursuant to Section 53340.2 of the California
23 Government Code are as follows: BCS Community Facilities District Administrator, 3403 10th Street, Suite
24 400, Riverside, California 92501, (951) 955-8916.

25 **Section 10.** Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the
26 California Streets and Highways Code, a continuing lien to secure each levy of the special tax shall attach
27 to all nonexempt real property in the Community Facilities District and this lien shall continue in force and
28 effect until collection of the tax by the Board of Supervisors ceases.

1 **Section 11.** The boundary map of the Community Facilities District was recorded on September
2 23, 2020 in Riverside County in Book 85 at Page 63 of the Book of Maps of Assessment and Community
3 Facilities Districts in the Riverside County Recorder's Office, as Instrument No. 2020-0452009. The Board
4 of Supervisors hereby approves and ratifies said map and the boundaries of the Community Facilities
5 District which are incorporated herein and made a part hereof.

6 **Section 12.** The annual appropriations limit, as defined by subdivision (h) of Section 8 of Article
7 XIII B of the California Constitution, of the Community Facilities District is hereby established at
8 \$4,000,000.

9 **Section 13.** Pursuant to the provisions of the Act, the levy of the special tax and a proposition to
10 establish the appropriations limit specified above shall be subject to the approval of the qualified electors
11 of the Community Facilities District at a special election. The Registrar of Voters has determined and the
12 Board of Supervisors finds that fewer than 12 persons are registered to vote within the territory included in
13 the Community Facilities District. Accordingly, pursuant to Section 53326 of the Government Code, the
14 vote concerning the special tax and appropriations limit shall be by the landowners of the Community
15 Facilities District; and each landowner who is the owner of record as of the close of the public hearing, or
16 the authorized representative thereof, shall have one vote for each acre or portion of an acre that he or she
17 owns within the Community Facilities District. The voting procedure shall be by mailed or hand-delivered
18 ballot. The Board of Supervisors also finds that the requirements of Section 53326 of the Act pertaining to
19 the shortening of time and the requirement for notice have been waived by all of the landowners within the
20 Community Facilities District.

21 **Section 14.** The Board of Supervisors hereby calls and schedules a special election for October
22 20, 2020, at 9:30 a.m. within and for the Community Facilities District on (i) the proposition with respect
23 to the annual levy of special taxes within the Community Facilities District for the provision of authorized
24 services to the Community Facilities District and (ii) the proposition with respect to establishing an
25 appropriations limit for the Community Facilities District.

26 The propositions to be submitted to the voters of the Community Facilities District at such special
27 election shall be as follows:
28

1 Proposition A: Shall special taxes be levied annually on taxable property within Community
2 Facilities District No. 20-1M (Springbrook) of the County of Riverside to fund, pay for, and finance
3 authorized street lighting, landscaping and park maintenance services for streets, roads, parks,
4 parkways and open space (as specified and reflected in the Resolution of Intention, the Resolution
5 of Formation, and the Rate and Method of Apportionment of Special Tax) and to pay expenses
6 incidental thereto and incidental to the levy and collection of the special taxes, so long as the special
7 taxes are needed to fund such services, at the special tax rates and pursuant to the method of
8 apportioning the special taxes set forth in Exhibit B to Resolution No. 2020-142 adopted by the
9 Board of Supervisors of said County on September 15, 2020?

10
11 Proposition B: Shall an appropriations limit, as defined by subdivision (h) of Section 8 of Article
12 XIII B of the California Constitution, be established for Community Facilities District No. 20-1M
13 (Springbrook) of the County of Riverside in the amount of \$4,000,000?

14
15 **Section 15.** Based on its findings that fewer than 12 registered voters reside within the
16 boundaries of the Community Facilities District and that the election will be among landowner voters, the
17 Board of Supervisors hereby appoints the Assistant Director of the Riverside County Business and
18 Community Services or her designee, or such other officer or employee as the Board shall designate, to
19 serve as the election official (the "Election Official") for the election pursuant to Government Code Section
20 53326.

21 **Section 16.** The procedures to be followed in conducting the special election on (i) the
22 proposition with respect to the levy of special taxes on taxable property within the Community Facilities
23 District to pay the costs of authorized services, and (ii) the proposition with respect to establishing an
24 appropriations limit for the Community Facilities District in the amount of \$4,000,000 (the "Special
25 Election") shall be as follows:

26 (a) Pursuant to Section 53326 of the California Government Code, ballots for the Special
27 Election shall be distributed to the qualified electors by the Election Official by mail with return postage
28 prepaid or by personal service.

1 (b) Pursuant to applicable sections of the California Elections Code governing the conduct of
2 mail ballot elections of counties, and in particular Division 4 (commencing with Section 4000) of that Code
3 with respect to elections conducted by mail, the Election Official shall mail or deliver to each qualified
4 elector an official ballot and shall also mail or deliver to all such qualified electors a ballot pamphlet and
5 instructions to voter, including a sample ballot identical in form to the official ballot but identified as a
6 sample ballot, a return identification envelope with prepaid postage thereon addressed to the Election
7 Official for the returning of voted official ballots, and a copy of Resolution No. 2020-142.

8 (c) The official ballot to be mailed or delivered by the Election Official to each landowner-voter
9 shall have printed or typed thereon the name of the landowner-voter and the number of votes to be voted
10 by the landowner-voter and shall have appended to it a certification to be signed by the person voting the
11 official ballot which shall certify that the person signing the certification is the person who voted the official
12 ballot, and if the landowner-voter is other than a natural person, that he or she is an officer of or other person
13 affiliated with the landowner-voter entitled to vote such official ballot, that he or she has been authorized
14 to vote such official ballot on behalf of the landowner-voter, that in voting such official ballot it was his or
15 her intent, as well as the intent of the landowner-voter, to vote all votes to which the landowner-voter is
16 entitled based on its land ownership on the propositions set forth in the official ballot as marked thereon in
17 the voting square opposite each such proposition, and further certifying as to the acreage of the landowner-
18 voter's land ownership within the Community Facilities District.

19 (d) The return identification envelope to be mailed or delivered by the Election Official to each
20 landowner-voter shall have printed or typed thereon the following: (i) the name of the landowner, (ii) the
21 address of the landowner, (iii) a declaration under penalty of perjury stating that the voter is the landowner
22 or the authorized representative of the landowner entitled to vote the enclosed ballot and is the person whose
23 name appears on the identification envelope, (iv) the printed name and signature of the voter, (v) the address
24 of the voter, (vi) the date of signing and place of execution of the declaration, and (vii) a notice that the
25 envelope contains an official ballot and is to be opened only by the Election Official.

26 (e) The information to voter form to be mailed or delivered by the Election Official to the
27 landowner-voters shall inform them that the official ballots shall be returned to the Election Official
28 properly voted as provided thereon and with the certification appended thereto properly completed and

1 signed in the sealed return identification envelope with the certification thereon completed and signed and
2 all other information to be inserted thereon properly inserted by 5:00 p.m. on the date of the Special
3 Election; provided that the election shall be closed before such hour if the Election Official determines that
4 all of the qualified voters have voted.

5 (f) Upon receipt of the return identification envelopes which are returned prior to the voting
6 deadline on the date of the Special Election, the Election Official shall canvass the votes cast in the Special
7 Election, and shall file a statement with the Board of Supervisors as to the results of such canvass and the
8 election on each proposition set forth in the official ballot.

9 (g) The Legislative Body shall declare the results of said special election as soon as practicable
10 following the election, but in any event not later than the next regular meeting following the date of the
11 election, and shall cause to be input upon its minutes a statement of the results of said special election as
12 ascertained by the canvass.

13 **Section 17.** If two-thirds (2/3) of the votes cast within the Community Facilities District upon
14 the question of levying the special tax are in favor of the levy of that tax, as determined by the Board of
15 Supervisors after the canvass of the returns of such election, the Legislative Body may levy such special
16 taxes within the territory of the Community Facilities District in the amounts and for the purposes as
17 specified in this Resolution, the Special Tax Ordinance (to be adopted), and the Rate and Method of
18 Apportionment, except that such special tax may be levied at a rate lower than the amount specified therein.

19 **Section 18.** The Board of Supervisors hereby determines and finds that all proceedings up to and
20 including the adoption of this Resolution were valid and in conformity with the requirements of the Act. In
21 accordance with Section 53325.1 of the California Government Code, such finding shall be final and
22 conclusive.

23 **Section 19.** The Board of Supervisors finds and determines that the establishment of the
24 Community Facilities District is not a project for purposes of the California Environmental Quality Act and
25 is exempt from that Act.

26 **Section 20.** The officers of the County are, and each of them is, hereby authorized and directed
27 to do any and all things, and to execute and deliver any and all documents which said officers may deem
28 necessary or advisable in order to accomplish the purposes of this Resolution and not inconsistent with the

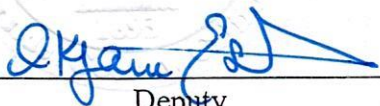
1 provisions hereof.

2 **ADOPTED, SIGNED AND APPROVED** this 20th day of October 2020, by the Board of
3 Supervisors of the County of Riverside.

4 The forgoing is certified to be a true copy of a resolution duly
5 adopted by said Board of Supervisors on the date therein set forth.

6 
7 _____
8 Chairman of the Board of Supervisors

9 ATTEST:
10 Kecia R. Harper
11 Clerk to the Board of Supervisors

12 By: 
13 _____
14 Deputy

15 ROLL CALL:

16 Ayes: Jeffries, Spiegel, Washington and Perez
17 Nays: None
18 Absent: Hewitt
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1 **EXHIBIT A**

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3 **SERVICES AND INCIDENTAL EXPENSES**

4
5 **Services**

6 The types of services to be financed by the Community Facilities District are:

- 7 i. Street lighting maintenance, which includes energy charges, operation, maintenance,
8 and administration of street lighting located within the surrounding area of the
9 Community Facilities District; and
- 10 ii. Park and landscaping improvements that may include, but are not limited to, turf,
11 ground cover, shrubs, trees, plants, irrigation and drainage systems, masonry walls
12 or other fencing within the designated boundaries of the Community Facilities
13 District.

14 **Incidental Expenses**

15 The incidental expenses proposed to be incurred include the following:

- 16 i. The cost associated with the creation of the Community Facilities District,
17 determination of the amount of taxes, collection of taxes, including litigation
18 expenses, if any, costs for processing payment of taxes, or other administrative costs
19 otherwise incurred in order to carry out the authorized purposes of the Community
20 Facilities District; and
- 21 ii. Any other expenses incidental to the performance and inspection of the authorized
22 Services.
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EXHIBIT B

PROPOSED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

[Please see attached.]

1 **RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR**
2 **COMMUNITY FACILITIES DISTRICT 20-1M (SPRINGBROOK)**
3 **OF THE COUNTY OF RIVERSIDE**
4 **STATE OF CALIFORNIA**

5 A Special Tax (all capitalized terms are defined in Section A. Definitions, below) shall be applicable to
6 each Parcel of Taxable Property located within the boundaries of Community Facilities District (CFD) 20-
7 1M (Springbrook). The amount of Special Tax to be levied on a Parcel in each Fiscal Year, commencing
8 in Fiscal Year 2021-2022, shall be determined by the Riverside County Board of Supervisors, acting in its
9 capacity as the legislative body of the CFD by applying the appropriate Special Tax as set forth in Sections
10 B., C., and D., below. All of the real property within the CFD, unless exempted by law or by the provisions
11 of Section E. below, shall be taxed for the purposes, to the extent, and in the manner herein provided.

12
13 **A. DEFINITIONS**

14
15 The terms hereinafter set forth have the following meanings:

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

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

25
26 **“Administrative Expenses”** means all actual or reasonably estimated costs and expenses of the CFD that
27 are chargeable or allocable to carry out the duties of the Administrator of the CFD as allowed by the Act,
28 which shall include without limitation, all costs and expenses arising out of or resulting from the annual

1 levy and collection of the Special Tax (whether by the County or designee thereof, or both), any litigation
2 or appeal involving the CFD, and other administrative expenses of the County or designee thereof, or both,
3 directly related to the CFD. Administrative Expenses shall also include amounts estimated or advanced by
4 the County or CFD for attorney's fees and other costs related to commencing and pursuing to completion
5 any foreclosure as a result of delinquent Special Taxes.

6
7 **“Administrator”** means an official of the County, or designee thereof, responsible for determining the
8 annual amount of the levy and collection of the Special Taxes.

9
10 **“Approved Property”** means all Parcels of Taxable Property: (i) that are included in a Final Map that
11 was recorded prior to the January 1st preceding the Fiscal Year in which the Special Tax is being levied,
12 and (ii) that have not been issued a Building Permit prior to the April 1st preceding the Fiscal Year in which
13 the Special Tax is being levied.

14
15 **“Assessor”** means the Assessor of the County.

16
17 **“Assessor's Parcel Map”** means an official map of the Assessor of the County designating Parcels by
18 Assessor's Parcel Number.

19
20 **“Assessor's Parcel Number”** means the number assigned to a lot or Parcel for purposes of identification
21 as determined from an Assessor Parcel Map or the applicable assessment roll.

22
23 **“Base Year”** means the Fiscal Year ending June 30, 2022.

24
25 **“Board”** means Riverside County Board of Supervisors, acting in its capacity as the legislative body of
26 the CFD.

27
28

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

3
4 **“Building Permit”** means the first legal document issued by a local agency giving official permission for
5 new construction. For purposes of this definition, Building Permit shall not include any subsequent
6 Building Permits issued or changed after the first issuance.

7
8 **“CFD”** means Community Facilities District 20-1M (Springbrook) of the County of Riverside.

9
10 **“Consumer Price Index”** means the cumulative percentage increase in the Consumer Price Index
11 published by the U.S. Bureau of Labor Statistics for All Urban Consumers in the Riverside-San Bernardino-
12 Ontario Area, as it stands in March of each year over the base index as of 2021. In the event this index
13 ceases to be published, the Consumer Price Index shall be another index as determined by the Administrator
14 that is reasonably comparable to the Consumer Price Index for the Riverside-San Bernardino-Ontario Area.

15
16 **“County”** means the County of Riverside, California.

17
18 **“Developed Property”** means all Parcels of Taxable Property: (i) that are included in a Final Map that
19 was recorded prior to January 1st preceding the Fiscal Year in which the Special Tax is being levied, and
20 (ii) for which a Building Permit for new construction has been issued prior to April 1st preceding the Fiscal
21 Year in which the Special Tax is being levied.

22
23 **“Dwelling Unit” or “(D/U)”** means a residential unit that is used or intended to be used as a domicile by
24 one or more persons, as determined by the Administrator.

25
26 **“Exempt Property”** means any Parcel which is exempt from Special Taxes pursuant to Section E., below.

27
28 **“Final Map”** means a subdivision of property by recordation of a tract map, parcel map or lot line

1 adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq.*) or
2 recordation of a condominium plan pursuant to California Civil Code 4200 that creates individual lots for
3 which Building Permits may be issued without further subdivision.

4
5 **“Fiscal Year”** means the 12 month period starting on July 1 of any calendar year and ending the following
6 June 30.

7
8 **“Land Use Class”** means any of the classes listed in Table 1 of Section C. below.

9
10 **“Maximum Special Tax”** means for each Parcel in each Fiscal Year, the greatest amount of Special Tax,
11 determined in accordance with Section C., below, which may be levied on such Parcel in each Fiscal Year.

12
13 **“Multi-family Residential Property”** means all Parcels of Residential Property that consist of a building
14 or buildings comprised of attached Dwelling Units available for rental by the general public, not for sale to
15 an end user, and under common management.

16
17 **“Non-Residential Property”** means all Parcels of Developed Property for which a Building Permit was
18 issued, permitting the construction of one or more non-residential structures.

19
20 **“Parcel”** means a lot or parcel within the CFD shown on an Assessor’s Parcel Map with an assigned
21 Assessor’s Parcel Number valid as of July 1st for the Fiscal Year for which the Special Tax is being levied.

22
23 **“Property Owners Association Property”** means all Parcels which have been conveyed, dedicated to,
24 or irrevocably offered for dedication to a property owner association, including any master or sub-
25 association, prior to April 1st preceding the Fiscal Year in which the Special Tax is being levied.

26
27 **“Proportionately”** means for Parcels of Taxable Property that are (i) Developed Property, that the ratio
28 of the actual Special Tax levy to Maximum Special Tax is the same for all Parcels of Developed Property,

1 (ii) Approved Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is the
2 same for all Parcels of Approved Property, and (iii) Undeveloped Property, Public Property or Property
3 Owners Association Property, that the ratios of the actual Special Tax levy per Acre to the Maximum
4 Special Tax per Acre is the same for all Parcels of Undeveloped Property, Public Property and Property
5 Owners Association Property.

6
7 **“Public Property”** means all Parcels which, as of April 1st preceding the Fiscal Year in which the Special
8 Tax is being levied, are (i) used for rights-of-way or any other purpose and is owned by, dedicated to, or
9 irrevocably offered for dedication to the federal government, the State, the County, City or any other public
10 agency, provided, however, that any property leased by a public agency to a private entity and subject to
11 taxation under Section 53340.1 of the Act shall be taxed and classified according to its use; or (ii)
12 encumbered by an unmanned utility easement making impractical its utilization for other than the purpose
13 set forth in the easement.

14
15 **“Residential Property”** means all Parcels of Developed Property for which a Building Permit has been
16 issued permitting the construction of one or more residential Dwelling Units.

17
18 **“Single Family Property”** means all Parcels of Residential Property, other than Multi-family Residential
19 Property.

20
21 **“Special Tax”** means the special tax to be levied in each Fiscal Year on each Parcel of Taxable Property
22 in accordance with Section D. to fund the Special Tax Requirement.

23
24 **“Special Tax Requirement”** means for each Fiscal Year, that amount required to: (i) pay the estimated
25 cost of Special Tax Services for such Fiscal Year as determined by the County; (ii) fund the Special Tax
26 Reserve Fund in an amount equal to the lesser of (a) an amount equal to 20% of the Special Tax Reserve
27 Fund Requirement or (b) the amount needed to fund the Special Tax Reserve Fund up to the Special Tax
28 Reserve Fund Requirement, (iii) pay Administrative Expenses; (iv) pay for anticipated Special Tax
delinquencies based on actual delinquencies from the prior Fiscal Year outstanding at the time the annual

1 Special Tax levy is determined; and (v) less a credit for funds available to reduce the annual Special Tax
2 levy as determined by the Administrator.

3
4 **“Special Tax Reserve Fund”** means a fund to be used for capital replacement and maintenance costs
5 related to the Special Tax Services.

6
7 **“Special Tax Reserve Fund Requirement”** means an amount up to 150% of the anticipated annual cost
8 of Special Tax Services of \$737,380.00 for the Base Year. The Special Tax Reserve Fund Requirement
9 shall be increased annually, commencing July 1, 2022, based on the percentage increase in the Consumer
10 Price Index with a maximum annual increase of six percent (6%) and a minimum annual increase of two
11 percent (2%) of the amount in effect in the previous Fiscal Year.

12
13 **“Special Tax Services”** means (i) Street lighting maintenance, which includes energy charges, operation,
14 maintenance, and administration of street lighting located within the designated boundaries of the CFD. ii)
15 Park and Landscaping improvements that may include, but are not limited to, turf, ground cover, shrubs,
16 trees, plants, irrigation and drainage systems, masonry walls or other fencing located within the designated
17 boundaries of the Community Facilities District.

18
19 **“State”** means the State of California.

20
21 **“Taxable Property”** means all Parcels within the boundary of the CFD pursuant to the Boundary Map
22 which are not exempt from the Special Tax pursuant to Section E., below.

23
24 **“Taxable Unit”** means either a Dwelling Unit or an Acre, as shown in Table 1.

25
26 **“Undeveloped Property”** means all Parcels of Taxable Property not classified as Developed Property,
27 Approved Property, Public Property or Property Owners Association Property.

28

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

2
3 Each Fiscal Year, commencing with Fiscal Year 2021-2022, all Parcels of Taxable Property shall be
4 classified as either Developed Property, Approved Property, Undeveloped Property, Public Property or
5 Property Owners Association Property, and subject to the levy of Special Taxes in accordance with this
6 Rate and Method of Apportionment as determined pursuant to Sections C. and D.

7
8 Parcels of Developed Property shall further be classified as Residential Property or Non-Residential
9 Property. Parcels of Residential Property shall further be classified as Single Family Property or Multi-
10 family Residential Property.

11
12 **C. MAXIMUM SPECIAL TAX RATES**

13
14 **1. Developed Property**

15
16 The Maximum Special Tax that may be levied and escalated, as explained further in Section C.1.
17 (a) below, in each Fiscal Year for each Parcel classified as Developed Property shall be determined
18 by reference to Table 1, below.

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TABLE 1
Maximum Special Tax Rates for Developed
Property for Fiscal Year 2021-2022

Land Use Class	Description	Taxable Unit	Maximum Special Tax Per Taxable Unit
1	Single Family Property	D/U	\$1,145
2	Multi-family Residential Property	Acre	\$5,737
3	Non-Residential Property	Acre	\$5,737

(a) Increase in the Maximum Special Tax

On each July 1, following the Base Year, the Maximum Special Tax, identified in Table 1, above, shall be increased annually, commencing July 1, 2022, based on the percentage increase in the Consumer Price Index with a maximum annual increase of six percent (6%) and a minimum annual increase of two percent (2%) of the Maximum Special Tax in effect in the previous Fiscal Year.

(b) Multiple Land Use Classes

In some instances a Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax that may be levied on such Parcel shall be the sum of 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 Parcel shall be allocated to each type of property based on the amount of Acreage designated for each land use as determined by reference to the site plan approved for such Parcel. The Administrator's allocation to each Land Use Class shall be final.

1 **2. Approved Property**

2
3 The Maximum Special Tax for each Parcel of Approved Property shall be equal to the product of
4 the applicable Undeveloped Property Maximum Special Tax per Acre times the Acreage of such
5 Parcel; provided, however, for a Parcel of Approved Property that is expected to become Single
6 Family Property as reasonably determined by the Administrator based on the Final Map for such
7 Parcel, the Maximum Special Tax for such Parcel of Approved Property shall be calculated pursuant
8 to Section C.1. as if such Parcel were already designated as Developed Property and classified as
9 Single Family Property.

10
11 The Maximum Special Tax for Approved Property shall be increased annually, commencing July
12 1, 2022, based on the percentage increase in the Consumer Price Index with a maximum annual
13 increase of six percent (6%) and a minimum annual increase of two percent (2%) of the
14 corresponding Maximum Special Tax in effect in the previous Fiscal Year.

15
16 **3. Undeveloped Property**

17
18 For Fiscal Year 2021-2022, the Maximum Special Tax that may be levied and escalated for each
19 Parcel classified as Undeveloped Property shall be \$5,737 per Acre.

20
21 The Maximum Special Tax for Undeveloped Property shall be increased annually, commencing
22 July 1, 2022, based on the percentage increase in the Consumer Price Index with a maximum annual
23 increase of six percent (6%) and a minimum annual increase of two percent (2%) of the
24 corresponding Maximum Special Tax in effect in the previous Fiscal Year.

25
26 **4. Public Property and/or Property Owners Association Property**

27
28

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

4
5 **D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX**

6
7 Commencing with Fiscal Year 2021-2022 and for each following Fiscal Year, the Administrator
8 shall levy the Special Tax on all Taxable Property until the amount of Special Tax equals the Special
9 Tax Requirement in accordance with the following steps:

10
11 First: The Special Tax shall be levied Proportionately on each Parcel of Developed Property at up
12 to 100% of the applicable Maximum Special Tax as needed to satisfy the Special Tax Requirement;

13
14 Second: If additional moneys are needed to satisfy the Special Tax Requirement after the first step
15 has been completed, the Special Tax shall be levied Proportionately on each Parcel of Approved
16 Property at up to 100% of the Maximum Special Tax for Approved Property.

17
18 Third: If additional moneys are needed to satisfy the Special Tax Requirement after the first two
19 steps have been completed, the Special Tax shall be levied Proportionately on each Parcel of
20 Undeveloped Property at up to 100% of the applicable Maximum Special Tax for Undeveloped
21 Property.

22
23 Notwithstanding the above, under no circumstances will the Special Taxes levied in any Fiscal Year against
24 any Parcel of Residential Property for which a Certificate of Occupancy has been issued be increased by
25 more than ten percent (10%) as a result of a delinquency in the payment of the Special Tax applicable to
26 any other Parcel above the amount that would have been levied in that Fiscal Year had there never been any
27 such delinquency or default.

1 **E. EXEMPTIONS**

2
3 The CFD shall not levy Special Taxes on Public Property or Property Owners Association Property within
4 the CFD.

5
6 **F. MANNER OF COLLECTION**

7
8 The Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property
9 taxes and shall be subject to the same penalties, the same procedure, sale and lien priority in the case of
10 delinquency; provided, however, that the Administrator may directly bill the Special Tax, may collect
11 Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of
12 the CFD, and provided further that the CFD may covenant to foreclose and may actually foreclose on
13 Parcels having delinquent Special Taxes as permitted by the Act.

14
15 **G. APPEALS**

16
17 Any taxpayer may file a written appeal of the Special Tax on his/her Parcel(s) with the Administrator,
18 provided that the appellant is current in his/her payments of Special Taxes. During pendency of an appeal,
19 all Special Taxes must be paid on or before the payment due date established when the levy was made. The
20 appeal must specify the reasons why the appellant claims the Special Tax is in error. The Administrator
21 shall review the appeal, meet with the appellant if the Administrator deems necessary, and advise the
22 appellant of its determination. If the Administrator agrees with the appellant, the Administrator shall grant
23 a credit to eliminate or reduce future Special Taxes on the appellant's Parcel(s). No refunds of previously
24 paid Special Taxes shall be made.
25

26
27 The Administrator shall interpret this Rate and Method of Apportionment and make determinations relative
28 to the annual levy and administration of the Special Tax and any taxpayer who appeals, as herein specified.

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

2

3 The Special Tax shall be levied annually in perpetuity unless terminated earlier by the County.

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