

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



ITEM: 2.4
(ID # 20002)

MEETING DATE:

Tuesday, September 13, 2022

FROM : EXECUTIVE OFFICE:

SUBJECT: EXECUTIVE OFFICE: Receive and File Resolution No. 2021-22-58, Resolution of Intention of the Board of Education of the Moreno Valley Unified School District to Establish Community Facilities District No. 2022-1 of the Moreno Valley Unified School District and to Authorize the Levy of Special Taxes within Community Facilities District No. 2022-1 of the Moreno Valley Unified School District, District 5. [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file Resolution No. 2021-22-58.
2. Direct the Clerk of the Board to return one (1) copy of Resolution No. 2021-22-58 be conformed as to filing/stamped received.


ACTION:Consent


Don Kent, Director of Finance 9/1/2022

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Spiegel, seconded by Supervisor Jeffries and duly carried by unanimous vote, IT WAS ORDERED that the above matter is received and filed as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Hewitt
Nays: None
Absent: None
Date: September 13, 2022
xc: E.O.

Kecia R. Harper
Clerk of the Board
By 
Deputy

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

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: N/A			Budget Adjustment:	No
			For Fiscal Year:	22/23

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

On June 14, 2022, the Board of Education of the District adopted Resolution No. 2021-22-58 declaring its intention to establish Community Facilities District No. 2022-1 of the Moreno Valley Unified School District, pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended. This includes territory located within the boundaries of the County of Riverside ("County").

One copy of the above-referenced Resolution is to be filed with the County as required by California Government Code Section 53315.6.

ATTACHMENTS:

- MVUSD - CFD No. 2022-1 - Ltr to County re ROI
- MVUSD - CFD No. 2022-1 - ROI

RESOLUTION NO. 2021-22-58

RESOLUTION OF INTENTION OF THE BOARD OF EDUCATION OF THE MORENO VALLEY UNIFIED SCHOOL DISTRICT TO ESTABLISH COMMUNITY FACILITIES DISTRICT NO. 2022-1 OF THE MORENO VALLEY UNIFIED SCHOOL DISTRICT AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES WITHIN COMMUNITY FACILITIES DISTRICT NO. 2022-1 OF THE MORENO VALLEY UNIFIED SCHOOL DISTRICT

WHEREAS, the Moreno Valley Unified School District (“School District”) is a public school district organized and operating pursuant to the California Education Code; and

WHEREAS, the Board of Education (“Board of Education”) of the School District has previously adopted its Community Facilities District Financing Policy (“CFD Financing Policy”) pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Section 53311 of the Government Code of the State of California (“Act”); and

WHEREAS, the Board of Education has received a request from the landowner (“Owner”) requesting that the Board of Education undertake proceedings pursuant to the Act for the establishment of a community facilities district to include the property of Owner (“Property”) which community facilities district is to be designated as “Community Facilities District No. 2022-1 of the Moreno Valley Unified School District” (“CFD No. 2022-1”); and

WHEREAS, the Board of Education of the School District intends to institute proceedings for the establishment of CFD No. 2022-1 pursuant to the Act to provide funds to plan for, design, acquire, construct, lease, expand, improve, rehabilitate, finance, refinance and to potentially pay for certain existing obligations for the costs of public facilities, including school facilities for School District (“School Facilities”), facilities for Eastern Municipal Water District (“EMWD Facilities”), and facilities for the City of Moreno Valley (“City Facilities,” and collectively with the School Facilities and EMWD Facilities, the “Facilities”) as described in Exhibit “A,” attached hereto and made a part hereof by this reference pursuant to the Act; and

WHEREAS, the financing and funding of the aforementioned Facilities to serve the area within the School District, including proposed CFD No. 2022-1, shall also include costs of acquisition, construction, expansion, relocation, rehabilitation, leasing/purchasing and financing of public facilities including furnishings and equipment (including, to the extent permitted by law, vehicles and technology equipment and infrastructure), and required sites therefor and appurtenances thereto, including, but not by way of limitation, the planning and design work related thereto, as well as property, easements and rights of way, the cost of leasing or purchasing completed facilities, as may be further identified in the Community Facilities District Report (discussed in Section 11, below) to be filed as provided by applicable law with the Clerk of the School District; and

WHEREAS, the cost(s) of financing the Facilities shall include the payment of principal of and interest on bonds, or other securities, in one or more series or issuances (collectively, the "Bonds"), to finance the Facilities, or direct costs, and/or other periodic costs, including, but not limited to, costs of administering CFD No. 2022-1, the levy of taxes and administration of the Bonds or other debt or securities; the establishment and replenishment of reserve funds and any other necessary costs to serve the property within the boundaries of proposed CFD No. 2022-1 depicted on Exhibit "B," attached hereto and incorporated by this reference ("Project Area"); and

WHEREAS, the Project Area currently resides within the boundaries of Community Facilities District No. 2006-2 of the Moreno Valley Unified School District ("CFD No. 2006-2"), previously formed and approved by the Board of Education; and

WHEREAS, upon the complete formation of CFD No. 2022-1 within the Project Area, the School District intends to cancel the special taxes and extinguish the lien of special taxes of CFD No. 2006-2 for the Project Area; and

WHEREAS, it is the intention of the School District to plan, design, construct, lease, acquire or finance the construction, modification, relocation, modernization, rehabilitation, upgrading, expansion or acquisition of the Facilities, or any combination thereof, for the Project Area through the formation of CFD No. 2022-1 subject to the authorization of Bonds and the levy of special taxes to pay for planning, construction, acquisition or installment purchase payments, lease or other payments including principal of and interest on Bonds to be approved at an election to be held within the boundaries of CFD No. 2022-1.

NOW, THEREFORE, THE BOARD OF EDUCATION OF THE MORENO VALLEY UNIFIED SCHOOL DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. The foregoing recitals are true and correct and are incorporated herein by this reference.

Section 2. CFD No. 2022-1 is proposed to be established under the provisions and requirements of the Act. The School District has arranged for the preparation of a boundary map of proposed CFD No. 2022-1 ("Map"). The proposed boundaries of the territory proposed for inclusion in CFD No. 2022-1 are as depicted on Exhibit "B," attached hereto and incorporated herein by this reference. Based on the information available, the Board of Education determines that the proposed boundaries of CFD No. 2022-1 include the entirety of any Assessor's parcel which will be subject to the special taxes of CFD No. 2022-1. The Map of CFD No. 2022-1 shall remain on file in the office of the School District and shall be available for public inspection at least fifteen (15) days prior to the public hearing referenced in Section 9. The Clerk of the Board of Education, or the Clerk's designee, is directed to record, or arrange to record, the Map with the County Recorder's office for the County of Riverside not later than fifteen (15) days prior to the public hearing referenced hereinafter in Section 9. The approval and recording of such Map may also be the subject of a separate action by this Board of Education.

Section 3. The name of the proposed community facilities district shall be "Community Facilities District No. 2022-1 of the Moreno Valley Unified School District."

Section 4. The Board of Education finds that public convenience and necessity requires the Facilities proposed to be acquired, constructed and/or financed (as further described herein) by and through proposed CFD No. 2022-1.

Section 5. The School Facilities to be planned, acquired, constructed, leased, or financed are public facilities as provided for in the Act and the Board of Education determines that the School Facilities are necessary to meet increased demand placed on the School District as a result of development, including development which will occur in the future, within CFD No. 2022-1. The School District and/or CFD No. 2022-1 may enter into joint community facilities agreements (“JCFA”) with Eastern Municipal Water District and the City of Moreno Valley to provide for the financing of the EMWD Facilities and the City Facilities. The Board of Education hereby finds and determines that the public interest will not be served by allowing the property owners in CFD No. 2022-1 to enter into a contract pursuant to Government Code Section 53329.5(a). Notwithstanding the foregoing, the Board of Education, on behalf of CFD No. 2022-1 may enter into one or more contracts directly with any of the property owners (including Owner) with respect to the construction and/or acquisition of any portion of the Facilities.

Section 6. For all funds needed to accomplish the herein described actions, it is the intention of the School District to levy annually, in accordance with the procedures contained in the Act, a special tax secured by recordation of a lien against all nonexempt real property in CFD No. 2022-1, which lien will be a continuing lien which shall secure each annual levy of the special taxes and which shall continue in force and effect until the special tax obligation is prepaid, permanently satisfied, and canceled in accordance with law or until the special taxes cease to be levied and a notice of cessation of special tax is recorded in accordance with Section 53330.5 of the Act. The special taxes shall be levied each year in the amounts specified in Exhibit “C” to this Resolution (“Rate and Method of Apportionment”) for planning, construction, acquisition, relocation and rehabilitation of the Facilities which may include the principal of and interest on the Bonds proposed to be issued to finance the Facilities and other periodic costs; any payments for the Facilities or lease payments; the establishment and replenishment of reserve funds, including reserves for modernization and rehabilitation of Facilities constructed with special tax revenues; the expenses incurred for administering, levying and collecting the special taxes and Bonds, or each series thereof, legal, fiscal and financial consultant fees; discount fees; capitalized interest on the Bonds for a period not to exceed twenty-four (24) months; election costs; fees for bond counsel, other legal counsel and printing costs. The Board of Education also reserves the right to establish a fund, and use special tax revenues, pursuant to Section 53314.5 of the Act.

As herein provided, CFD No. 2022-1 may also, in lieu of issuing Bonds, issue or execute and deliver other securities, including, but not limited to, lease revenue bonds or certificates of participation, which may involve a lease-purchase financing arrangement for property and/or facilities with a nonprofit public benefit corporation and may involve or include a pledge of the special taxes levied and collected within CFD No. 2022-1, to pay principal, interest and/or the redemption or prepayment price(s) on such securities or obligation(s).

Section 7. The Rate and Method of Apportionment and the manner of collection of the special taxes are described in detail in attached Exhibit "C" attached hereto, and made a part hereof by this reference. The special taxes take into consideration the cost of making the Facilities available. The special taxes are apportioned to each parcel on the foregoing basis pursuant to Section 53325.3 of the Act and such special taxes are not based upon the ownership of real property.

Special taxes shall not be levied and collected with respect to any parcel that is exempt from special taxes pursuant to the Rate and Method of Apportionment or for which the special tax obligation has been fully prepaid and a notice of cancellation of special taxes has been recorded.

Any special taxes levied pursuant to the authorization of the qualified electors shall be collected annually on all assessors' parcels of Taxable Property (as defined in the Rate and Method of Apportionment) until the date provided for in the Rate and Method of Apportionment.

Under no circumstances will the special taxes levied in any fiscal year as against any parcel used for private residential purposes (as defined in Government Code Section 53321(d)) within CFD No. 2022-1 be increased by more than 10% as a consequence of delinquency or default by the owner(s) of any other parcel or parcels within CFD No. 2022-1. The foregoing limitation shall only apply to the extent set out in Government Code Section 53321.

Section 8. It is the intention of the Board of Education that owners of parcels within CFD No. 2022-1 may prepay the designated special tax obligation to CFD No. 2022-1 for such parcel(s) by those method(s) set forth in the Rate and Method of Apportionment.

Section 9. Notice is given that a public hearing ("Hearing") on the establishment of CFD No. 2022-1, the proposed Rate and Method of Apportionment and all other matters set forth in this Resolution of Intention, shall be held on July 19, 2022, at 6:00 p.m., or as soon thereafter as practicable in the Board Room of the District, 25634 Alessandro Blvd., Moreno Valley, California.

Section 10. At the time and place set forth above for the Hearing, the Board of Education shall receive testimony as to whether proposed CFD No. 2022-1 shall be established and questions or objections to the Rate and Method of Apportionment. Any interested person, including taxpayers, property owners and registered voters within the boundaries of proposed CFD No. 2022-1 may appear and be heard at the Hearing. The testimony of all such interested persons for or against the establishment of CFD No. 2022-1, the extent of CFD No. 2022-1, the proposed special taxes of CFD No. 2022-1, or the furnishing of the Facilities, will be heard and considered.

Section 11. The engineer and/or consultant(s) for CFD No. 2022-1, or the staff of the School District, as appropriate, are hereby directed to study proposed CFD No. 2022-1 and, at or before the time of the Hearing, file a report with the School District containing a description of the Facilities which will, in their opinion, be required to adequately meet the needs of CFD No. 2022-1 including, but not limited to, those Facilities which were previously designed, constructed and completed through prior community facilities district financings for the benefit of the development project within the boundaries of CFD No. 2022-1 and an estimate of the cost

of providing the Facilities (“Community Facilities District Report”). The engineer, consultant(s) and/or staff member is directed to estimate the fair and reasonable cost of the study of, planning, purchase, construction, leasing or financing of the Facilities including the cost of planning and designing the Facilities, and all costs associated with the formation of CFD No. 2022-1 issuance of the Bonds, as well as administration and collection of the special taxes and costs otherwise incurred to carry out the authorized purposes of CFD No. 2022-1. The Board of Education directs that the Community Facilities District Report shall be provided to the Board of Education for consideration at the Hearing scheduled for July 19, 2022, and at that time copies of such Community Facilities District Report shall be available for public review.

Section 12. The School District may accept advances of funds from any sources, including private persons or private entities, and is authorized and directed to use such funds for any authorized purpose, or paying for any cost incurred by the School District in creating CFD No. 2022-1. The School District may enter into agreements to:

(i) repay all such funds which are not expended or committed for any authorized purpose at the time of the election regarding the levy of the special taxes, if the proposal to levy such taxes should fail; and

(ii) to repay all such funds advanced from the proceeds of Bonds if Bonds of CFD No. 2022-1 are issued and sold.

The obligation to repay any advances made to the School District shall not be a debt nor obligation of the School District.

Section 13. At the Hearing, protests against the proposals described in this Resolution of Intention may be made orally by any interested person. Any protests pertaining to the regularity or sufficiency of the Hearing shall be in writing and shall clearly set forth the irregularities and/or defects to which the objection is made. All written protests not personally presented by the author of that protest at the Hearing shall be filed with the Clerk of the Board of Education at or before the time fixed for the Hearing. Written protests may be withdrawn in writing at any time before the conclusion of the Hearing. If, after completion of the Hearing, the Board of Education determines that written protests against the establishment of CFD No. 2022-1 have been filed by 50% or more of the registered voters, or six registered voters, whichever is greater, residing within the boundaries of CFD No. 2022-1, or owners of one-half or more of the area of land proposed to be included within CFD No. 2022-1 and not exempt from the special taxes, no further proceedings to establish CFD No. 2022-1 or authorize the specified special taxes, shall be taken for a period of one year from the date of such funding by the Board of Education. If such majority protest is limited to certain Facilities or specified special taxes, those Facilities or the specified special taxes shall be eliminated from the resolution of formation by the Board of Education.

Section 14. The Clerk of the Board of Education is hereby directed to have a notice of the Hearing (“Notice”) published pursuant to Section 6061 of the Government Code of the State of California in a newspaper of general circulation published in the area of proposed CFD No. 2022-1. Such Notice shall contain a summary of this Resolution, state the time and place of the Hearing, contain a statement that the testimony of all interested persons or taxpayers shall be heard, have a description of the protest rights of the registered voters and landowners within the

boundaries of proposed CFD No. 2022-1, and contain a description of the proposed voting procedure for the election required by the Act. Such publication shall be completed at least seven days prior to the date of the Hearing. Additionally, the Clerk is hereby directed to file, or arrange to be filed, a copy of this Resolution in accordance with the provisions of Government Code Section 53315.6.

Section 15. If, following the Hearing, and subject to the provisions of Section 14, above, the Board of Education determines to establish CFD No. 2022-1, the Board of Education shall then submit the levy of the special taxes in an election (“Election”) to the qualified electors of CFD No. 2022-1 pursuant to requirements contained in the Act and the applicable provisions of the Elections Code. If at least 12 persons, who need not necessarily be the same 12 persons, have been registered to vote within CFD No. 2022-1 for each of the 90 days preceding the close of the Hearing, the vote shall be by registered voters of CFD No. 2022-1 with each voter having one vote. If there are 12 or less persons registered to vote for each of the 90 days preceding the close of the Hearing, pursuant to Section 53326 of the Act, the vote shall be by the landowners of CFD No. 2022-1, with each landowner having one vote for each acre of land that he or she owns within the CFD No. 2022-1 not exempt from the special taxes.

The Election shall be conducted at least 90 days, but not more than 180 days, following the adoption of the Resolution of Formation adopted pursuant to Section 53325.1 of the Act. Notwithstanding the foregoing, the election may be conducted less than 90 days after the adoption of the Resolution of Formation with the unanimous consent of the qualified electors pursuant to Section 53326(a) of the Act. If the election is to be held less than 125 days following the close of the Hearing, the concurrence of the Election Official, as designated and defined herein, conducting the Election shall be required.

The School District staff and consultants are directed to undertake, with the Riverside County Registrar of Voters office, a review of the Project Area to determine the number of registered voters, if any, within the Project Area. The results of such review shall be provided to this Board of Education at or prior to the adoption of the Resolution of Formation.

Based upon information furnished to the School District it is anticipated that there will be less than 12 registered voters within the Project Area and that the Election will be among landowner voters of CFD No. 2022-1. Contingent upon the timely completion of the above-referenced events and requirements, the Board of Education is expected to call and hold the Election at the date and time of the Hearing. Also contingent on such actions and findings, this Board of Education hereby states it intends to appoint the District's Chief Business Official, or such District officer or employee as the Board of Education or District Superintendent shall hereafter designate in writing, to serve as the election official (“Election Official”) for the Election to be conducted within CFD No. 2022-1, pursuant to Government Code Section 53327(b).

Pursuant to Government Code Section 53326(d) the Board of Education may determine to distribute the ballots for such Election by mail, or may allow such ballots to be distributed by hand.

Subject to the foregoing, in the Resolution of Formation the Board of Education shall provide for additional provisions and voter qualifications for the call and conduct of the Election, as the Board of Education shall determine and direct.

Section 16. The Community Facilities District Financing Policy is incorporated herein by this reference. The Community Facilities District Financing Policy is hereby made applicable to all proceedings for the formation of CFD No. 2022-1, the authorization of special taxes, the authorization to incur bonded indebtedness and all other matters relating to CFD No. 2022-1 unless expressly waived by action of this Board of Education. Pursuant to the provisions of the Act, this action shall constitute the adoption of a community facilities district financing policy for CFD No. 2022-1.

Section 17. It is the intention of this Board of Education, acting as the Legislative Body of CFD No. 2022-1, to cause Bonds, or other debt or securities of CFD No. 2022-1, to be issued pursuant to the Act to finance in whole or in part the acquisition and construction of the Facilities. The Bonds intended to be issued to finance the Facilities shall be specified in a resolution adopted by this Board of Education pursuant to the provisions of the Act.

Section 18. The Board of Education hereby determines that the formation of CFD No. 2022-1, and related election and procedural actions, will not have an effect on the environment and that such actions are correspondingly exempt from the requirements of the California Environmental Quality Act ("CEQA"). The Clerk of the School District is directed to, or arrange to, complete, execute, file and post a Notice of Exemption in such regard pursuant to the provisions and requirements of CEQA.

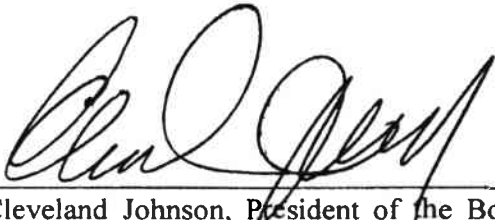
Section 19. No error, irregularity, informality, and no neglect or omission of any officer, in any procedure taken under this chapter, which does not directly affect the jurisdiction of the legislative body to order the installation of the Facility or the provision of service, shall void or invalidate such proceeding or any levy for the costs of such Facility or service. If any term, provision, finding, condition or directive of this Resolution, and the other proceedings for the formation of CFD No. 2022-1, including, but not limited to, the authorization of the special tax, the authorization of the Bonds and related matters thereto shall, to any extent, be held invalid or unenforceable, the remainder of the proceedings, or the application of such term, provision, finding, condition or directive other than those to whom or which it is held invalid or unenforceable, shall not be affected thereby, and each such term, provision, finding, condition or directive shall be valid and enforceable to the fullest extent provided by law. If this Resolution, or the proceedings relative to CFD No. 2022-1 are held invalid or unenforceable as against any particular piece or parcel of property within CFD No. 2022-1, the remainder of the proceedings, or the application of any term, provision, finding, condition or directive applicable to other parcels of properties as against which such holding is not applicable, shall continue to be valid and enforceable to the fullest extent provided by law.

Section 20. That the Superintendent and Chief Business Official of the School District, or their designee(s), and other officers of the School District, are authorized to take any and all actions necessary to implement the orders and directives of this Resolution to proceed with the establishment of proposed CFD No. 2022-1 and the authorization of special taxes of CFD No. 2022-1, within the time periods specified by the Act.

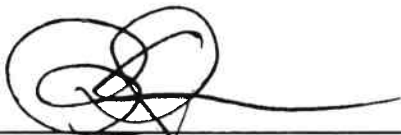
Section 21. This Resolution shall take effect upon adoption.

APPROVED, ADOPTED, AND SIGNED on this 14th day of June, 2022.

MORENO VALLEY UNIFIED SCHOOL DISTRICT

By: 
Cleveland Johnson, President of the Board
of Education of the Moreno Valley Unified
School District

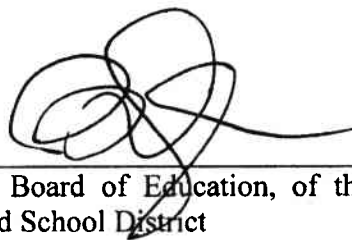
ATTEST:

By: 
Brandy Clark, Clerk of the Board of
Education of the Moreno Valley Unified
School District

STATE OF CALIFORNIA)
) ss.
COUNTY OF RIVERSIDE)

I, Brandy Clark, Clerk, Board of Education of the Moreno Valley Unified School District, do hereby certify that the foregoing was duly adopted by the Board of Education of such District at a regular meeting of said Board held on the 14th day of June, 2022, at which a quorum of the Board was present and acting throughout, for which notice and an agenda were prepared and posted as required by law, the Board members had due notice of the meeting, and the attached resolution was adopted at such meeting by the following vote:

AYES: 5
NOES: 0
ABSTAIN: 0
ABSENT: 0



Clerk, Board of Education, of the Moreno Valley
Unified School District

STATE OF CALIFORNIA)
) ss.
COUNTY OF RIVERSIDE)

I, Brandy Clark, Clerk of the Board of Education of the Moreno Valley Unified School District, do hereby certify that the foregoing is a true and correct copy of Resolution No. 2021-22-58 which was duly adopted by Board of Education of the Moreno Valley Unified School District at a meeting thereof on June 14, 2022.



Clerk, Board of Education, of the Moreno Valley
Unified School District

EXHIBIT "A"

DESCRIPTION OF FACILITIES TO BE FINANCED

The types of facilities ("Facilities") proposed to be planned for, designed, acquired, constructed, leased, expanded, improved, rehabilitated and financed by proposed Community Facilities District No. 2022-1 of the Moreno Valley Unified School District ("CFD No. 2022-1"), under the Mello Roos Community Facilities Act of 1982, as amended ("Act"), are as follows:

"School Facilities" includes, but not by way of limitation, facilities of the Moreno Valley Unified School District ("School District") consisting of the planning, engineering, design, acquisition, construction, lease, improvement, and/or financing of interim and permanent facilities, including classrooms, multi-purpose facilities, administration and auxiliary space at school facilities as reasonably determined from time to time by the School District to be necessary to accommodate the student population to be generated as a result of development, including the property within CFD No. 2022-1, during the term of the special taxes as follows:

(a) K-12 school sites and facilities, including lease rental payments therefore related to the acquisition of land, or interests in land required for the construction of such on-site or off-site facilities, including, but not limited to, buildings, appurtenances, athletic fields, playgrounds and recreational facilities and improvements thereto, landscaping, access roadways, drainage, sidewalks and gutters and utility lines, as well as portable or relocatable buildings or interim additions to existing buildings at such school facilities.

(b) Modernization, rehabilitation, relocation and expansion of existing school facilities and related infrastructure.

(c) Central support, administrative facilities, special education facilities and transportation facilities, including, but not by way of limitation, buses and vehicles.

(d) Furniture, equipment and technology, including technology upgrades and mobile devices and infrastructure therefore, with a useful life of at least five (5) years at such school facilities.

(e) The costs attributable to planning, engineering, designing, leasing, financing, acquiring, expanding, relocating, rehabilitating, or constructing (or any combination thereof) of school facilities (including, without limitation, construction management, inspection, materials testing, and construction staking); any "debt," as defined in Government Code Section 53317(d), the costs to issue and sell any such debt (including, without limitation, underwriters discount, appraisals, market studies, reserve fund, capitalized interest, bond counsel, special tax consultant, bond trustee or fiscal agent, bond and official statement printing, and administrative expenses of the School District and/or CFD No. 2022-1), and all other incidental expenses.

The School Facilities shall be constructed, whether or not acquired in their completed states, pursuant to plans and/or specifications approved by the School District. The School Facilities described in this Exhibit are representative of the types of improvements to be funded

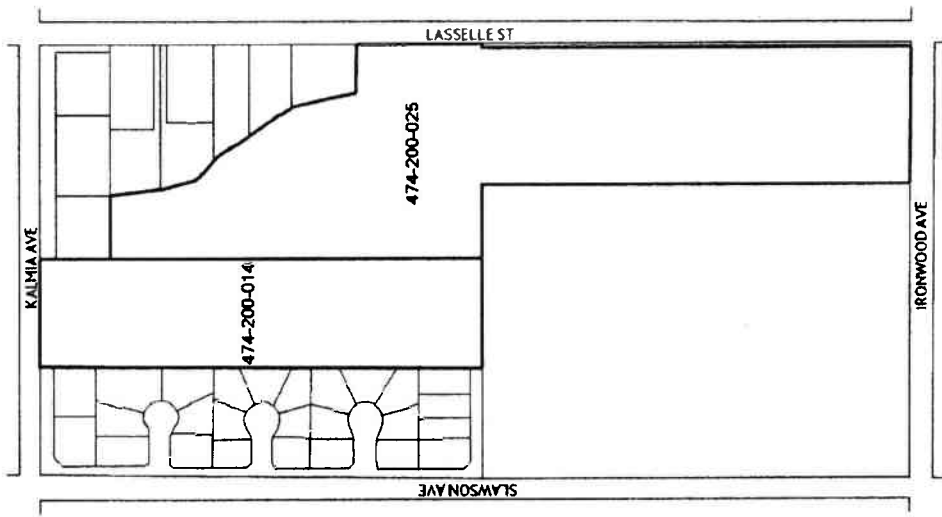
or financed by CFD No. 2022-1. Addition, deletion or modification of School Facilities may be made consistent with the requirements of the School District, CFD No. 2022-1, and the Mello-Roos Act.

“EMWD Facilities” consist of water and sewer facilities including the acquisition of capacity in the sewer system and/or water system of Eastern Municipal Water District, and all appurtenances and appurtenant work in connection with the foregoing, including the cost of engineering, planning, designing, materials testing, coordination, construction staking, construction management and supervision for such EMWD Facilities and any other expense incidental to the construction, acquisition, modification, expansion or rehabilitation of such EMWD facilities. The EMWD Facilities listed herein are representative of the types of improvements authorized to be financed by the CFD. Detailed scope and limits of specific projects will be determined as appropriate, consistent with the standards of the Eastern Municipal Water District. Addition, deletion or modification of descriptions of the EMWD Facilities may be made consistent with the requirements of the Board of Directors of Eastern Municipal Water District, the CFD and the Act.

“City Facilities” consist of the acquisition, purchase, construction, expansion, improvement or rehabilitation of (i) public improvements authorized to be financed with City development impact fees (“DIF”) including, but not limited to Police facilities, arterial street and park improvements and (ii) public improvements that are constructed by the Developer but are owned, operated or maintained by the City of Moreno Valley (“City”), including, without limitation, improvements to storm drain, street and traffic signal and all direct and incidental expenses related thereto such as site acquisition, planning, design, engineering, City legal services, materials testing, coordination, surveying, construction staking, construction management, consulting services, inspection and any and all appurtenant facilities and appurtenant work related to the foregoing. The City Facilities shall be constructed, whether or not acquired in their complete states, pursuant to plans and specifications approved by the City or any other governmental entity that will own and operate the same.

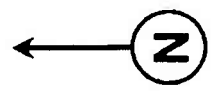
PROPOSED BOUNDARY MAP OF
 COMMUNITY FACILITIES DISTRICT NO. 2022-1 OF THE
 MORENO VALLEY UNIFIED SCHOOL DISTRICT
 RIVERSIDE COUNTY
 STATE OF CALIFORNIA

SHEET 1 OF 2



LEGEND

□	Boundaries of Community Facilities District
□	Boundaries of Assessor's Parcels
###-###-###	Assessor's Parcel Number



(1) Filed in the office of the Clerk of the Board of Education of the Moreno Valley Unified School District this ___ day of _____, 20__

_____, Clerk of the Board of Education
 Moreno Valley Unified School District

(2) I hereby certify that the within map showing the proposed boundaries of Community Facilities District No. 2022-1 of the Moreno Valley Unified School District, Riverside County, State of California, was approved by the Board of Education of the Moreno Valley Unified School District at the regular meeting thereof, held on this ___ day of _____, 20__ by its Resolution No. _____.

_____, Clerk of the Board of Education
 Moreno Valley School District

(3) Filed this ___ day of _____, 2022, at the hour of ___ o'clock ___ M. in Book ___ of Maps Assessments and Community Facilities Districts at Pages ___ and as Instrument No. _____ in the offices of the County Recorder of Riverside County, State of California.

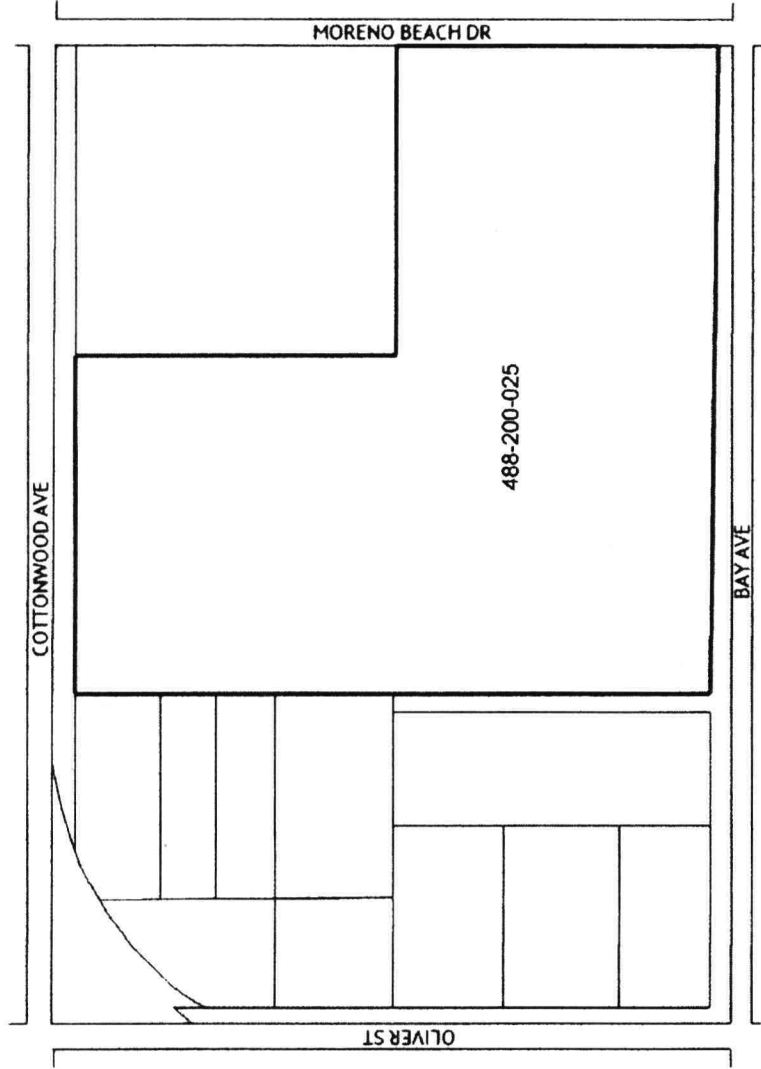
Fee, \$ _____

By: _____
 County Recorder of Riverside County
 Assessor-Clerk-Recorder Peter Aldana



Reference is hereby made to the Assessor maps of the County of Riverside for an exact description of the lines and dimensions of each lot and parcel.

Prepared by: KeyAnalytics

PROPOSED BOUNDARY MAP OF
COMMUNITY FACILITIES DISTRICT NO. 2022-1 OF THE
MORENO VALLEY UNIFIED SCHOOL DISTRICT
RIVERSIDE COUNTY
STATE OF CALIFORNIA



LEGEND

	Boundaries of Community Facilities District
	Boundaries of Assessor's Parcels
###-###-###	Assessor's Parcel Number

Reference is hereby made to the Assessor maps of the County of Riverside for an exact description of the lines and dimensions of each lot and parcel.

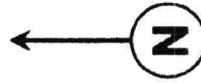


EXHIBIT "C"

RATE AND METHOD OF APPORTIONMENT

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES OF
COMMUNITY FACILITIES DISTRICT NO. 2022-1 OF
THE MORENO VALLEY UNIFIED SCHOOL DISTRICT**

A Special Tax, as defined herein, shall be levied on and collected from all Assessor's Parcels in Community Facilities District No. 2022-1 of the Moreno Valley Unified School District each Fiscal Year, as defined herein, commencing in Fiscal Year 2022/2023, in an amount determined by the Board through the application of the Rate and Method of Apportionment of Special Taxes ("RMA"), as defined herein, described below. All the real property within the District, unless exempted by law or by provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

**SECTION A
DEFINITIONS**

For purposes of this RMA, the terms hereinafter set forth have the following meanings:

"Acreage" means the number of acres of land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the Administrator may rely on the land area shown on the applicable Final Map.

"Act" means the Mello-Roos Communities Facilities Act of 1982, as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means any ordinary and necessary expense incurred by the School District on behalf of the District related to the determination of the amount of the levy of Special Taxes, the collection of Special Taxes, including, but not limited to, the reasonable expenses of collecting delinquencies, the administration of Bonds, the proportionate payment of salaries and benefits of any School District employee whose duties are directly related to the administration of the District, and reasonable costs otherwise incurred in order to carry out the authorized purposes of the District including, but not limited to, a proportionate amount of School District general administrative overhead related thereto.

"Administrator" means an official of the School District or designee thereof, responsible for determining the levy and collection of the Special Taxes.

"Annual Special Tax" means the Special Tax levied in any Fiscal Year on any Assessor's Parcel.

"Assessor's Parcel" means a parcel of land designated on an Assessor's Parcel Map with an assigned Assessor's Parcel Number within the boundaries of the District.

"Assessor's Parcel Map" means an official map of the Assessor of the County designating parcels by Assessor's Parcel Number.

"Assessor's Parcel Number" means that number assigned to an Assessor's Parcel by the County for purposes of identification.

"Assigned Annual Special Tax" means the Special Tax of that name described in Section D hereof.

"Backup Annual Special Tax" means the Special Tax of that name described in Section E hereof.

"Board" means the Governing Board (Board of Education) of the School District, or its designee(s), acting as the Legislative Body of the District.

"Bond Index" means the national Bond Buyer Revenue Index, commonly referenced as the 25-Bond Revenue Index. In the event the Bond Index ceases to be published, the index used shall be based on a comparable index for revenue bonds maturing in 30 years with an average rating equivalent to Moody's A1 and/or Standard & Poor's A+, as determined by the Board.

"Bond Yield" means the yield of the last series of Bonds issued. For purposes of this calculation the yield of the Bonds shall be the yield calculated at the time such Bonds are issued, pursuant to Section 148 of the Internal Revenue Code of 1986, as amended, for the purpose of the Non-Arbitrage (Tax) Certificate or other similar bond issuance document.

"Bonds" means any obligation to repay a sum of money, including obligations in the form of bonds, notes, certificates of participation, long-term leases, loans from government agencies, or loans from banks, other financial institutions, private businesses, or individuals, or long-term contracts, or any refunding thereof, to which the Special Taxes have been pledged for repayment.

"Building Square Footage" or **"BSF"** means the square footage of assessable internal living space of a Unit, exclusive of any carports, walkways, garages, overhangs, patios, enclosed patios, detached accessory structure, other structures not used as living space, or any other square footage excluded under Government Code Section 65995 as determined by reference to the building permit(s) for such Unit.

"County" means the County of Riverside, California.

"Developed Property" means all Assessor's Parcels of Taxable Property for which building permit(s) were issued on or before May 1 of the prior Fiscal Year, provided that such Assessor's Parcels were created on or before January 1 of the prior Fiscal Year, as reasonably determined by the Administrator.

"District" means Community Facilities District No. 2022-1 of the School District.

"Exempt Property" means all Assessor's Parcels designated as being exempt from Special Taxes pursuant to Section K hereof.

"Final Map" means a final tract map, parcel map, condominium map lot line adjustment, or functionally equivalent map or instrument that creates individual Lots, recorded in the Office of the County Recorder.

"Fiscal Year" means the period commencing on July 1 of any year and ending on the following June 30.

"Goals and Policies" means the "Local Goals and Policies" for Community Facilities Districts established by the School District approved by the Board by Resolution No. 2001-02-41 on January 15, 2002, as amended from time to time.

"Land Use Class or Classes" means the tax classifications depicted in Table 1 for all Assessor's

Parcel of Developed Property based on the Building Square Footage of such Assessor's Parcel.

"Lot" means an individual legal lot created by a Final Map for which a building permit for residential construction has been or could be issued.

"Maximum Special Tax" means for each Assessor's Parcel, the maximum Special Tax, determined in accordance with Section C, which can be levied by the District in a given Fiscal Year on such Assessor's Parcel.

"Mitigation Agreement" means the School Facilities Funding and Mitigation Agreement made and entered into as of June 13, 2022 by and among the School District and KB Home Coastal Inc.

"Net Taxable Acreage" means the total Acreage of Developed Property expected to exist within the District after all Final Maps are recorded.

"Partial Prepayment Amount" means the amount required to prepay a portion of the Special Tax obligation for an Assessor's Parcel as described in Section I hereof.

"Prepayment Administrative Fees" means any fees or expenses of the School District or the District associated with the prepayment of the Special Tax obligation of an Assessor's Parcel. Prepayment Administrative Fees shall include, among other things, the cost of computing the Prepayment Amount, redeeming Bonds, and recording or filing of any notices to evidence such prepayment and any associated or resulting redemption of Bonds.

"Prepayment Amount" means the amount required to prepay the Special Tax obligation in full for an Assessor's Parcel as described in Section H hereof.

"Present Value of Taxes" means for any Assessor's Parcel the present value of (i) the unpaid portion, if any, of the Annual Special Tax applicable to such Assessor's Parcel in the current Fiscal Year and (ii) the Special Taxes expected to be levied on such Assessor's Parcel in each remaining Fiscal Year, as determined by the Administrator, until the termination date specified in Section J, but in no event longer than 33 Fiscal Years. The discount rate used for this calculation shall be equal to (a) the Bond Yield after Bond issuance or (b) the most recently published Bond Index prior to Bond issuance.

"Proportionately" means that the ratio of the actual Annual Special Tax levy to the applicable Assigned Annual Special Tax is equal for all applicable Assessor's Parcels. In the case of Developed Property subject to apportionment of the Annual Special Tax under Step Four of Section G, "Proportionately" shall mean that the quotient of (i) the Annual Special Tax less the Assigned Annual Special Tax divided by (ii) the Backup Annual Special Tax less the Assigned Annual Special Tax is equal for all applicable Assessor's Parcels.

"Provisional Undeveloped Property" means all Assessor's Parcels of Taxable Property that would otherwise be classified as Exempt Property pursuant to Section K but cannot be classified as Exempt Property because to do so would reduce the Net Taxable Acreage below the required minimum Acreage set forth in Section K, for each applicable Zone.

"Reserve Fund Credit" means an amount equal to the lesser of (i) the reduction in the applicable reserve fund requirement(s) resulting from the redemption of Bonds with the Prepayment Amount or (ii) ten percent (10%) of the amount of Bonds which will be redeemed. If a surety bond or other

credit instrument satisfies the reserve requirement or the reserve requirement is underfunded at the time of the prepayment, no Reserve Fund Credit shall be given.

"School District" means the Moreno Valley Unified School District, a public school district organized and operating pursuant to the Constitution and laws of the State of California.

"Special Tax" means any of the special taxes authorized to be levied by the District pursuant to the Act and this RMA.

"Special Tax Requirement" means the amount required in any Fiscal Year to pay (i) the debt service or the periodic costs on all outstanding Bonds, (ii) Administrative Expenses, (iii) the costs associated with the release of funds from an escrow account or accounts established in association with the Bonds, (iv) any amount required to establish or replenish any reserve funds (or accounts thereof) established in association with the Bonds, and (v) the collection or accumulation of funds for the acquisition or construction of school facilities and certain costs associated with the maintenance and operations of school facilities authorized by the District provided that the inclusion of such amount does not cause an increase in the levy of Special Tax on Undeveloped Property or Provisional Undeveloped Property as set forth in Steps Two through Four of Section G, less (vi) any amount(s) available to pay debt service or other periodic costs on the Bonds pursuant to any applicable bond indenture, fiscal agent agreement, trust agreement, or equivalent agreement or document. In arriving at the Special Tax Requirement, the Administrator shall take into account the reasonably anticipated delinquent Special Taxes, provided that the amount included cannot cause the Annual Special Tax of an Assessor Parcel of Developed Property to increase by greater than ten percent (10%) of what would have otherwise been levied.

"Taxable Property" means all Assessor's Parcels which are not classified as Exempt Property.

"Undeveloped Property" means all Assessor's Parcels of Taxable Property which are not classified as Developed Property.

"Unit" means each separate residential dwelling unit, including but not limited to, a single family attached or detached unit, condominium, an apartment unit, mobile home, or otherwise, excluding hotel and motels.

"Zone" means the areas identified as a Zone of the District as depicted in Exhibit A of this RMA.

"Zone 1" means all property located within the area identified as Zone 1 of the District as depicted in Exhibit A, subject to interpretation by the Administrator as described in Section B.

"Zone 2" means all property located within the area identified as Zone 2 of the District as depicted in Exhibit A, subject to interpretation by the Administrator as described in Section B.

**SECTION B
CLASSIFICATION OF ASSESSOR'S PARCELS**

Each Fiscal Year, commencing with Fiscal Year 2022/2023, all Assessor's Parcels within the CFD shall be assigned to a Zone in accordance with Exhibit A, all Assessor's Parcels within each Zone shall be classified as either Taxable Property or Exempt Property. In addition, each Assessor's Parcel of Taxable Property shall be further classified as Developed Property, Undeveloped Property or Provisional Undeveloped Property. Developed Property shall be assigned to a Land Use Class, according to Table 1 below, based on the Building Square Footage of each Unit.

**Table 1
Land Use Classification**

Zone	Land Use Class	Building Square Footage
1	1	< 1,600 sq.ft
1	2	1,600 - 1,899 sq.ft
1	3	1,900 - 2,200 sq.ft
1	4	> 2,200 sq.ft
2	5	< 1,700 sq.ft
2	6	1,700 - 1,999 sq.ft
2	7	2,000 - 2,300 sq.ft
2	8	> 2,300 sq.ft

**SECTION C
MAXIMUM SPECIAL TAX**

1. Developed Property

The Maximum Special Tax for each Assessor's Parcel classified as Developed Property shall be the greater of the amount derived by the application of the (a) Assigned Annual Special Tax or (b) Backup Annual Special Tax.

2. Undeveloped Property and Provisional Undeveloped Property

The Maximum Special Tax for each Assessor's Parcel classified as Undeveloped Property or Provisional Undeveloped Property shall be derived by the application of the Assigned Annual Special Tax.

**SECTION D
ASSIGNED ANNUAL SPECIAL TAXES**

1. Developed Property

The Assigned Annual Special Tax for each Assessor's Parcel of Developed Property will be determined in accordance with Table 2 below, subject to increases as described below.

**Table 2
Fiscal Year 2022/2023
Assigned Annual Special Taxes**

Zone	Land Use Class	Building Square Footage	Assigned Annual Special Tax
1	1	< 1,600 sq.ft	\$3,564.90 per Unit
1	2	1,600 - 1,899 sq.ft	\$3,697.50 per Unit
1	3	1,900 - 2,200 sq.ft	\$3,937.20 per Unit
1	4	> 2,200 sq.ft	\$4,136.10 per Unit
2	5	< 1,700 sq.ft	\$3,672.00 per Unit
2	6	1,700 - 1,999 sq.ft	\$3,814.80 per Unit
2	7	2,000 - 2,300 sq.ft	\$4,029.00 per Unit
2	8	> 2,300 sq.ft	\$4,187.10 per Unit

2. Undeveloped Property and Provisional Undeveloped Property

The Assigned Annual Special Tax for each Assessor's Parcel of Undeveloped Property or Provisional Undeveloped Property within Zone 1 in Fiscal Year 2022/2023 shall be \$19,488.86 per acre of Acreage. The Assigned Annual Special Tax for each Assessor's Parcel of Undeveloped Property or Provisional Undeveloped Property within Zone 2 in Fiscal Year 2022/2023 shall be \$18,069.74 per acre of Acreage.

3. Increases in the Assigned Annual Special Tax

a. Developed Property

On each July 1, commencing July 1, 2023, the Assigned Annual Special Tax applicable to Developed Property within Zone 1 and Zone 2 shall be increased by two percent (2.00%) of the amount in effect the prior Fiscal Year.

b. Undeveloped Property and Provisional Undeveloped Property

On each July 1, commencing July 1, 2023, the Assigned Annual Special Tax per acre of

Acreage for Undeveloped Property and Provisional Undeveloped Property within Zone 1 and Zone 2 shall be increased by two percent (2.00%) of the amount in effect the prior Fiscal Year.

SECTION E BACKUP ANNUAL SPECIAL TAX

Each Fiscal Year, each Assessor's Parcel of Developed Property shall be subject to a Backup Annual Special Tax.

1. Calculation of the Backup Annual Special Tax.

The Backup Annual Special Tax for an Assessor's Parcel of Developed Property within a Final Map shall be the rate per Lot calculated in accordance with the following formula in Fiscal Year 2022/2023 or such later Fiscal Year in which such Final Map is created, subject to increases as described below:

$$B = (U \times A) / L$$

The terms above have the following meanings:

- | | | |
|---|---|--|
| B | = | Backup Annual Special Tax per Lot for the applicable Final Map |
| U | = | Assigned Annual Special Tax per Acre of Undeveloped Property in the Fiscal Year the calculation is performed for such Zone |
| A | = | Acreage of Taxable Property expected to exist within such Final Map at the time of calculation, as determined by the Administrator |
| L | = | Number of Lots within the applicable Final Map at the time of calculation |

2. Changes to a Final Map

If the Final Map(s) described in the preceding paragraph are subsequently changed or modified, then the Backup Annual Special Tax for each Assessor's Parcel of Developed Property changed or modified in each such Final Map shall be a rate per square foot of Acreage calculated as follows:

- a. Determine the total Backup Annual Special Tax revenue anticipated to apply to the changed or modified Assessor's Parcels prior to the change or modification.
- b. The result of paragraph a. above shall be divided by the Acreage of Taxable Property of the modified Assessor's Parcels, as reasonably determined by the Administrator.

- c. The result of paragraph b above shall be divided by 43,560. The result is the Backup Annual Special Tax per square foot of Acreage that shall be applicable to the modified Assessor's Parcels, subject to increases as described below.

3. Increase in the Backup Annual Special Tax

Each July 1, commencing the July 1 following the initial calculation of the Backup Annual Special Tax for Developed Property within a Final Map, the Backup Annual Special Tax for each Lot within such Final Map shall be increased by two percent (2.00%) of the amount in effect the prior Fiscal Year.

**SECTION F
REDUCTION OF THE SPECIAL TAX
PRIOR TO BOND SALE**

Prior to the issuance of the first series of Bonds, the Maximum Special Tax and Assigned Annual Special Tax on Taxable Property may be reduced in accordance with, and subject to, the conditions set forth in this Section F and the terms of the Mitigation Agreement without the need for any proceedings to make changes as permitted or required under the Act.

Prior to the issuance of the first series of Bonds the Administrator may review information regarding the current and expected value of residential units within the District and prepare an analysis estimating the total property tax burden of completed homes within the District. The Maximum Special Tax and Assigned Annual Special Tax on Taxable Property may be reduced with the written consent of the Administrator to a level such that the resulting estimated total property tax rate complies with the School District's Goals and Policies and the terms of the Mitigation Agreement.

With respect to any Assessor's Parcel for which the Special Tax is reduced, the Board shall indicate in the records of the District that there has been a reduction of the Special Tax obligation and shall cause a suitable notice to be recorded in compliance with the Act to indicate the reduction of the Special Tax obligation by executing a certificate in substantially the form attached herein as Exhibit B.

**SECTION G
METHOD OF APPORTIONMENT
OF THE ANNUAL SPECIAL TAX**

Commencing Fiscal Year 2022/2023 and for each subsequent Fiscal Year, the Board shall levy Annual Special Taxes on all Taxable Property in accordance with the following steps:

Step One: The Special Tax shall be levied on each Assessor's Parcel of Developed Property at the Assigned Annual Special Tax applicable to each such Assessor's Parcel.

Step Two: If additional moneys are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Assigned Annual Special Tax applicable to each such Assessor's Parcel as needed to satisfy the Special

Tax Requirement.

Step Three: If additional moneys are needed to satisfy the Special Tax Requirement after the second step has been completed, the Special Tax on each Assessor's Parcel of Developed Property, for which the Maximum Special Tax is the Backup Annual Special Tax, shall be increased Proportionately from the Assigned Annual Special Tax up to 100% of the Backup Annual Special Tax applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement.

Step Four: If additional moneys are needed to satisfy the Special Tax Requirement after the third step has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Provisional Undeveloped Property up to 100% of the Assigned Annual Special Tax applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement.

SECTION H PREPAYMENT OF SPECIAL TAXES

1. Special Tax Prepayment Times and Conditions

The Special Tax obligation of an Assessor's Parcel of Taxable Property may be prepaid, if there are no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor's Parcel. An owner of an Assessor's Parcel intending to prepay the Special Tax shall provide the School District with written notice of intent to prepay. Within thirty (30) days of receipt of such written notice, the Administrator shall determine the Prepayment Amount for such Assessor's Parcel and shall notify such owner of such Prepayment Amount.

2. Special Tax Prepayment Calculation

The Prepayment Amount shall be calculated according to the following formula:

$$P = PVT - RFC + PAF$$

The terms above have the following meanings:

P	=	Prepayment Amount
PVT	=	Present Value of Taxes
RFC	=	Reserve Fund Credit
PAF	=	Prepayment Administrative Fees

3. Special Tax Prepayment Procedures and Limitations

The amount representing the Present Value of Taxes attributable to the prepayment less the Reserve Fund Credit attributable to the prepayment shall, prior to the issuance of Bonds, be

deposited into a separate account held with the School District and disbursed in accordance with the Mitigation Agreement and after the issuance of Bonds be deposited into the applicable account or fund established under the trust agreement, indenture agreement or fiscal agent agreement and used to pay debt service or redeem Bonds. The amount representing the Prepayment Administrative Fees attributable to the prepayment shall be retained and deposited into the applicable account by the District.

With respect to any Assessor's Parcel for which the Special Tax is prepaid, the Board shall indicate in the records of the District that there has been a prepayment of the Special Tax obligation and shall cause a suitable notice to be recorded in compliance with the Act to indicate the prepayment of the Special Tax obligation and the release of the Special Tax lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay such Special Tax shall cease.

Notwithstanding the foregoing, no prepayment will be allowed unless the amount of Assigned Annual Special Taxes that may be levied on Taxable Property, net of Administrative Expenses and excluding Provisional Undeveloped Property, after such prepayment shall be at least 1.10 times the regularly scheduled annual interest and principal payments on all currently outstanding Bonds in each future Fiscal Year and such prepayment will not impair the security of all currently outstanding Bonds, as reasonably determined by the Administrator. Such determination shall include identifying all Assessor's Parcels that are expected to be classified as Exempt Property.

Notwithstanding the above, the ability to prepay the Special Tax obligation of an Assessor's Parcel may be suspended, by the Administrator, acting in his or her absolute and sole discretion for and on behalf of the District, without notice to the owners of property within the District for a period of time, not to exceed sixty (60) days, prior to the scheduled issuance of Bonds by the District to assist in the efficient preparation of the required bond market disclosure.

SECTION I PARTIAL PREPAYMENT OF SPECIAL TAXES

1. Partial Prepayment Times and Conditions

The Special Tax obligation for Assessor's Parcels of Taxable Property may be partially prepaid in increments of ten (10) Units, provided that there are no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor's Parcels at the time the Special Tax obligation would be partially prepaid. An owner of an Assessor's Parcel(s) intending to partially prepay the Special Tax shall provide the District with written notice of their intent to partially prepay. Within thirty (30) days of receipt of such written notice, the Administrator shall determine the Partial Prepayment Amount of such Assessor's Parcel and shall notify such owner of such Partial Prepayment Amount.

2. Partial Prepayment Calculation

The Partial Prepayment Amount shall be calculated according to the following formula:

$$PP = PVT \times F - RFC + PAF$$

The terms above have the following meanings:

- PP = the Partial Prepayment Amount
- PVT = Present Value of Taxes
- F = the percent by which the owner of the Assessor's Parcel is partially prepaying the Special Tax obligation
- RFC = Reserve Fund Credit
- PAF = Prepayment Administrative Fees

3. Partial Prepayment Procedures and Limitations

The amount representing the Present Value of Taxes attributable to the prepayment less the Reserve Fund Credit attributable to the prepayment shall, prior to the issuance of Bonds, be deposited into a separate account held with the School District and disbursed in accordance with the Mitigation Agreement and after the issuance of Bonds be deposited into the applicable account or fund established under the trust agreement or indenture agreement or fiscal agent agreement and used to pay debt service or redeem Bonds. The amount representing the Prepayment Administrative Fees attributable to the prepayment shall be retained and deposited into the applicable account by the District.

With respect to any Assessor's Parcel for which the Special Tax obligation is partially prepaid, the Board shall indicate in the records of the District that there has been a partial prepayment of the Special Tax obligation and shall cause a suitable notice to be recorded in compliance with the Act to indicate the partial prepayment of the Special Tax obligation and the partial release of the Special Tax lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay such prepaid portion of the Special Tax shall cease. Additionally, the notice shall indicate that the Assigned Annual Special Tax and the Backup Annual Special Tax if applicable for the Assessor's Parcel has been reduced by an amount equal to the percentage which was partially prepaid.

Notwithstanding the foregoing, no partial prepayment will be allowed unless the amount of Special Taxes that may be levied on Taxable Property, excluding Provisional Undeveloped Property, after such partial prepayment, and net of Administrative Expenses, shall be at least 1.10 times the regularly scheduled annual interest and principal payments on all currently outstanding Bonds in each future Fiscal Year and such partial prepayment will not impair the security of all currently outstanding Bonds, as reasonably determined by the Administrator. Such determination shall include identifying all Assessor's Parcels that are expected to be classified as Exempt Property.

Notwithstanding the above, the ability to prepay the Annual Special Tax obligation of an Assessor's Parcel may be suspended, by the Administrator, acting in his or her absolute and sole discretion for and on behalf of the District, without notice to the owners of property

within the District for a period of time, not to exceed sixty (60) days, prior to the scheduled issuance of Bonds by the District to assist in the efficient preparation of the required bond market disclosure.

SECTION J TERMINATION OF SPECIAL TAX

The Special Tax shall be levied for a term of three (3) Fiscal Years after the final maturity of the last series of Bonds, provided that the Special Tax shall not be levied later than Fiscal Year 2065/2066. However, the Special Tax may cease to be levied in an earlier Fiscal Year if the Board has determined (i) that all required interest and principal payments on the Bonds have been paid, (ii) all authorized facilities of the District have been acquired and all reimbursements have been paid, and (iii) all other obligations of the District have been satisfied.

SECTION K EXEMPTIONS

The Administrator shall classify as Exempt Property in the chronological order in which each Assessor Parcel becomes (i) owned by the State of California, federal or other local governments, (ii) used as places of worship and are exempt from *ad valorem* property taxes because they are owned by a religious organization, (iii) owned by a homeowners' association, (iv) burdened with a public or utility easements making impractical their utilization for other than the purposes set forth in the easement, or (v) any other Assessor's Parcels at the reasonable discretion of the Board, provided that no such classification would reduce the Net Taxable Acreage to less than the acres of Acreage listed in the table below for each Zone ("Minimum Taxable Acreage").

Zone	Minimum Taxable Acreage
1	20.4595
2	16.9660

Notwithstanding the above, the Administrator or Board shall not classify an Assessor's Parcel as Exempt Property if such classification would reduce the sum of the Acreage of all Taxable Property to less than the Minimum Taxable Acreage. Assessor's Parcels which cannot be classified as Exempt Property because such classification would reduce the Acreage of all Taxable Property to less than the Minimum Taxable Acreage will be classified as Provisional Undeveloped Property, as applicable, and will continue to be subject to Special Taxes accordingly.

SECTION L APPEALS

Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the Administrator to be received by the Administrator not later than six (6) months after having paid the first installment of the Special Tax that is disputed. The reissuance

or cancellation of a building permit is not an eligible reason for appeal. In order to be considered sufficient, any notice of appeal must (i) specifically identify the property by address and Assessor's Parcel Number, (ii) state the amount in dispute and whether it is the whole amount or only a portion of the Special Tax, (iii) state all grounds on which the property owner is disputing the amount or application of the Special Tax, including a reasonably detailed explanation as to why the amount or application of such Special Tax is incorrect, (iv) include all documentation, if any, in support of the claim, and (v) be verified under penalty of perjury by the person who paid the Special Tax or his or her guardian, executor or administrator. The Administrator shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and rule on the appeal. If the representative's decision requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the property owner, a cash refund shall not be made (except for the last year of levy), but an adjustment shall be made to the Special Tax on that Assessor's Parcel in the subsequent Fiscal Year(s) as the representative's decision shall indicate.

SECTION M MANNER OF COLLECTION

The Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes and shall be subject to the same penalties, the same procedure, sale and lien priority in the case of delinquency; provided, however, that the District may directly bill all or a portion of the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet its financial or contractual obligations, and if so collected, a delinquent penalty of ten percent (10%) of the Special Tax will attach at 5:00 p.m. on the date the Special Tax becomes delinquent and interest at 1.5% per month of the Special Tax will attach on the July 1 after the delinquency date and the first of each month thereafter until such Special Taxes are paid.

EXHIBIT A

Zone Classification

<i>Zone</i>	<i>Assessor's Parcel Number</i>
Zone 1	474-200-014 474-200-025
Zone 2	488-200-025

**EXHIBIT B
CERTIFICATE TO AMEND SPECIAL TAX
DISTRICT CERTIFICATE**

1. Pursuant to Section F of the Rate and Method of Apportionment of Community Facilities District No. 2022-1 of the Moreno Valley Unified School District ("District") hereby approves a reduction in the Assigned Annual Special Tax for Developed Property, Provisional Undeveloped Property and Undeveloped Property within the District.
- a. The information in Table 1 relating to the Fiscal Year 2022/2023 Assigned Annual Special Tax for Developed Property within the District shall be modified as follows:

**Table 2
Fiscal Year 2022/2023
Assigned Annual Special Taxes
for Developed Property**

Zone	Land Use Class	Building Square Footage	Assigned Annual Special Tax
1	1	< 1,600 sq.ft	\$_____ per Unit
1	2	1,600 - 1,899 sq.ft	\$_____ per Unit
1	3	1,900 - 2,200 sq.ft	\$_____ per Unit
1	4	> 2,200 sq.ft	\$_____ per Unit
2	5	< 1,700 sq.ft	\$_____ per Unit
2	6	1,700 - 1,999 sq.ft	\$_____ per Unit
2	7	2,000 - 2,300 sq.ft	\$_____ per Unit
2	8	> 2,300 sq.ft	\$_____ per Unit

- b. The Fiscal Year 2022/2023 Assigned Annual Special Tax for each Assessor's Parcel of Provisional Undeveloped Property and Undeveloped Property, as adjusted annually pursuant to Section D.2 of the RMA shall be \$[_____] for per acre for Zone 1 and be \$[_____] per acre for Zone 2. The Backup Annual Special Tax for Developed Property shall be recalculated pursuant to Section E of the RMA based on the foregoing adjusted Assigned Annual Special Tax per Acre per Zone for Undeveloped Property.

Date: _____, 20__

By: _____
Administrator

ATKINSON, ANDELSON, LOYA, RUUD & ROMO

A PROFESSIONAL LAW CORPORATION

ATTORNEYS AT LAW

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(858) 485-9526

OUR FILE NUMBER:

005155.00175
37309057.1

Nicolle.Falcis@aalrr.com
(949) 453-4289

June 22, 2022

VIA OVERNIGHT MAIL

Riverside County Clerk of the Board
4080 Lemon Street, 1st. Floor
Riverside, CA 92501

Re: Filing of Resolution of Intention - Proposed Community Facilities District No. 2022-1 of the Moreno Valley Unified School District

Dear Clerk:

Our office is representing the Moreno Valley Unified School District ("District") as legal counsel with regard to its proceedings for the proposed Community Facilities District No. 2022-1 of the Moreno Valley Unified School District ("CFD No. 2022-1"), pursuant to the Mello-Roos Community Facilities Act of 1982, as amended ("Act").

On June 14, 2022, the Board of Education of the District adopted Resolution No. 2021-22-58 declaring its intention to establish CFD No. 2022-1, pursuant to the provisions of the Act. This includes territory located within the boundaries of the County of Riverside ("County").

Pursuant to California Government Code Section 53315.6, please find enclosed with this letter two (2) copies of the above-referenced Resolution. We request that one copy be filed with the County as required by Government Code Section 53315.6. We also request that the one (1) remaining enclosed copy of such Resolution be conformed as to filing/stamped received and returned in the envelope provided for your use.

If there is any difficulty in completing the requested filing, or if you have any questions or comments with regard to this matter, please do not hesitate to contact the undersigned at our offices.

Very truly yours,

ATKINSON, ANDELSON, LOYA, RUUD & ROMO



Nicolle A. Falcis

RESOLUTION NO. 2021-22-58

RESOLUTION OF INTENTION OF THE BOARD OF EDUCATION OF THE MORENO VALLEY UNIFIED SCHOOL DISTRICT TO ESTABLISH COMMUNITY FACILITIES DISTRICT NO. 2022-1 OF THE MORENO VALLEY UNIFIED SCHOOL DISTRICT AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES WITHIN COMMUNITY FACILITIES DISTRICT NO. 2022-1 OF THE MORENO VALLEY UNIFIED SCHOOL DISTRICT

WHEREAS, the Moreno Valley Unified School District (“School District”) is a public school district organized and operating pursuant to the California Education Code; and

WHEREAS, the Board of Education (“Board of Education”) of the School District has previously adopted its Community Facilities District Financing Policy (“CFD Financing Policy”) pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Section 53311 of the Government Code of the State of California (“Act”); and

WHEREAS, the Board of Education has received a request from the landowner (“Owner”) requesting that the Board of Education undertake proceedings pursuant to the Act for the establishment of a community facilities district to include the property of Owner (“Property”) which community facilities district is to be designated as “Community Facilities District No. 2022-1 of the Moreno Valley Unified School District” (“CFD No. 2022-1”); and

WHEREAS, the Board of Education of the School District intends to institute proceedings for the establishment of CFD No. 2022-1 pursuant to the Act to provide funds to plan for, design, acquire, construct, lease, expand, improve, rehabilitate, finance, refinance and to potentially pay for certain existing obligations for the costs of public facilities, including school facilities for School District (“School Facilities”), facilities for Eastern Municipal Water District (“EMWD Facilities”), and facilities for the City of Moreno Valley (“City Facilities,” and collectively with the School Facilities and EMWD Facilities, the “Facilities”) as described in Exhibit “A,” attached hereto and made a part hereof by this reference pursuant to the Act; and

WHEREAS, the financing and funding of the aforementioned Facilities to serve the area within the School District, including proposed CFD No. 2022-1, shall also include costs of acquisition, construction, expansion, relocation, rehabilitation, leasing/purchasing and financing of public facilities including furnishings and equipment (including, to the extent permitted by law, vehicles and technology equipment and infrastructure), and required sites therefor and appurtenances thereto, including, but not by way of limitation, the planning and design work related thereto, as well as property, easements and rights of way, the cost of leasing or purchasing completed facilities, as may be further identified in the Community Facilities District Report (discussed in Section 11, below) to be filed as provided by applicable law with the Clerk of the School District; and

WHEREAS, the cost(s) of financing the Facilities shall include the payment of principal of and interest on bonds, or other securities, in one or more series or issuances (collectively, the "Bonds"), to finance the Facilities, or direct costs, and/or other periodic costs, including, but not limited to, costs of administering CFD No. 2022-1, the levy of taxes and administration of the Bonds or other debt or securities; the establishment and replenishment of reserve funds and any other necessary costs to serve the property within the boundaries of proposed CFD No. 2022-1 depicted on Exhibit "B," attached hereto and incorporated by this reference ("Project Area"); and

WHEREAS, the Project Area currently resides within the boundaries of Community Facilities District No. 2006-2 of the Moreno Valley Unified School District ("CFD No. 2006-2"), previously formed and approved by the Board of Education; and

WHEREAS, upon the complete formation of CFD No. 2022-1 within the Project Area, the School District intends to cancel the special taxes and extinguish the lien of special taxes of CFD No. 2006-2 for the Project Area; and

WHEREAS, it is the intention of the School District to plan, design, construct, lease, acquire or finance the construction, modification, relocation, modernization, rehabilitation, upgrading, expansion or acquisition of the Facilities, or any combination thereof, for the Project Area through the formation of CFD No. 2022-1 subject to the authorization of Bonds and the levy of special taxes to pay for planning, construction, acquisition or installment purchase payments, lease or other payments including principal of and interest on Bonds to be approved at an election to be held within the boundaries of CFD No. 2022-1.

NOW, THEREFORE, THE BOARD OF EDUCATION OF THE MORENO VALLEY UNIFIED SCHOOL DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. The foregoing recitals are true and correct and are incorporated herein by this reference.

Section 2. CFD No. 2022-1 is proposed to be established under the provisions and requirements of the Act. The School District has arranged for the preparation of a boundary map of proposed CFD No. 2022-1 ("Map"). The proposed boundaries of the territory proposed for inclusion in CFD No. 2022-1 are as depicted on Exhibit "B," attached hereto and incorporated herein by this reference. Based on the information available, the Board of Education determines that the proposed boundaries of CFD No. 2022-1 include the entirety of any Assessor's parcel which will be subject to the special taxes of CFD No. 2022-1. The Map of CFD No. 2022-1 shall remain on file in the office of the School District and shall be available for public inspection at least fifteen (15) days prior to the public hearing referenced in Section 9. The Clerk of the Board of Education, or the Clerk's designee, is directed to record, or arrange to record, the Map with the County Recorder's office for the County of Riverside not later than fifteen (15) days prior to the public hearing referenced hereinafter in Section 9. The approval and recording of such Map may also be the subject of a separate action by this Board of Education.

Section 3. The name of the proposed community facilities district shall be "Community Facilities District No. 2022-1 of the Moreno Valley Unified School District."

Section 4. The Board of Education finds that public convenience and necessity requires the Facilities proposed to be acquired, constructed and/or financed (as further described herein) by and through proposed CFD No. 2022-1.

Section 5. The School Facilities to be planned, acquired, constructed, leased, or financed are public facilities as provided for in the Act and the Board of Education determines that the School Facilities are necessary to meet increased demand placed on the School District as a result of development, including development which will occur in the future, within CFD No. 2022-1. The School District and/or CFD No. 2022-1 may enter into joint community facilities agreements ("JCFA") with Eastern Municipal Water District and the City of Moreno Valley to provide for the financing of the EMWD Facilities and the City Facilities. The Board of Education hereby finds and determines that the public interest will not be served by allowing the property owners in CFD No. 2022-1 to enter into a contract pursuant to Government Code Section 53329.5(a). Notwithstanding the foregoing, the Board of Education, on behalf of CFD No. 2022-1 may enter into one or more contracts directly with any of the property owners (including Owner) with respect to the construction and/or acquisition of any portion of the Facilities.

Section 6. For all funds needed to accomplish the herein described actions, it is the intention of the School District to levy annually, in accordance with the procedures contained in the Act, a special tax secured by recordation of a lien against all nonexempt real property in CFD No. 2022-1, which lien will be a continuing lien which shall secure each annual levy of the special taxes and which shall continue in force and effect until the special tax obligation is prepaid, permanently satisfied, and canceled in accordance with law or until the special taxes cease to be levied and a notice of cessation of special tax is recorded in accordance with Section 53330.5 of the Act. The special taxes shall be levied each year in the amounts specified in Exhibit "C" to this Resolution ("Rate and Method of Apportionment") for planning, construction, acquisition, relocation and rehabilitation of the Facilities which may include the principal of and interest on the Bonds proposed to be issued to finance the Facilities and other periodic costs; any payments for the Facilities or lease payments; the establishment and replenishment of reserve funds, including reserves for modernization and rehabilitation of Facilities constructed with special tax revenues; the expenses incurred for administering, levying and collecting the special taxes and Bonds, or each series thereof, legal, fiscal and financial consultant fees; discount fees; capitalized interest on the Bonds for a period not to exceed twenty-four (24) months; election costs; fees for bond counsel, other legal counsel and printing costs. The Board of Education also reserves the right to establish a fund, and use special tax revenues, pursuant to Section 53314.5 of the Act.

As herein provided, CFD No. 2022-1 may also, in lieu of issuing Bonds, issue or execute and deliver other securities, including, but not limited to, lease revenue bonds or certificates of participation, which may involve a lease-purchase financing arrangement for property and/or facilities with a nonprofit public benefit corporation and may involve or include a pledge of the special taxes levied and collected within CFD No. 2022-1, to pay principal, interest and/or the redemption or prepayment price(s) on such securities or obligation(s).

Section 7. The Rate and Method of Apportionment and the manner of collection of the special taxes are described in detail in attached Exhibit "C" attached hereto, and made a part hereof by this reference. The special taxes take into consideration the cost of making the Facilities available. The special taxes are apportioned to each parcel on the foregoing basis pursuant to Section 53325.3 of the Act and such special taxes are not based upon the ownership of real property.

Special taxes shall not be levied and collected with respect to any parcel that is exempt from special taxes pursuant to the Rate and Method of Apportionment or for which the special tax obligation has been fully prepaid and a notice of cancellation of special taxes has been recorded.

Any special taxes levied pursuant to the authorization of the qualified electors shall be collected annually on all assessors' parcels of Taxable Property (as defined in the Rate and Method of Apportionment) until the date provided for in the Rate and Method of Apportionment.

Under no circumstances will the special taxes levied in any fiscal year as against any parcel used for private residential purposes (as defined in Government Code Section 53321(d)) within CFD No. 2022-1 be increased by more than 10% as a consequence of delinquency or default by the owner(s) of any other parcel or parcels within CFD No. 2022-1. The foregoing limitation shall only apply to the extent set out in Government Code Section 53321.

Section 8. It is the intention of the Board of Education that owners of parcels within CFD No. 2022-1 may prepay the designated special tax obligation to CFD No. 2022-1 for such parcel(s) by those method(s) set forth in the Rate and Method of Apportionment.

Section 9. Notice is given that a public hearing ("Hearing") on the establishment of CFD No. 2022-1, the proposed Rate and Method of Apportionment and all other matters set forth in this Resolution of Intention, shall be held on July 19, 2022, at 6:00 p.m., or as soon thereafter as practicable in the Board Room of the District, 25634 Alessandro Blvd., Moreno Valley, California.

Section 10. At the time and place set forth above for the Hearing, the Board of Education shall receive testimony as to whether proposed CFD No. 2022-1 shall be established and questions or objections to the Rate and Method of Apportionment. Any interested person, including taxpayers, property owners and registered voters within the boundaries of proposed CFD No. 2022-1 may appear and be heard at the Hearing. The testimony of all such interested persons for or against the establishment of CFD No. 2022-1, the extent of CFD No. 2022-1, the proposed special taxes of CFD No. 2022-1, or the furnishing of the Facilities, will be heard and considered.

Section 11. The engineer and/or consultant(s) for CFD No. 2022-1, or the staff of the School District, as appropriate, are hereby directed to study proposed CFD No. 2022-1 and, at or before the time of the Hearing, file a report with the School District containing a description of the Facilities which will, in their opinion, be required to adequately meet the needs of CFD No. 2022-1 including, but not limited to, those Facilities which were previously designed, constructed and completed through prior community facilities district financings for the benefit of the development project within the boundaries of CFD No. 2022-1 and an estimate of the cost

of providing the Facilities (“Community Facilities District Report”). The engineer, consultant(s) and/or staff member is directed to estimate the fair and reasonable cost of the study of, planning, purchase, construction, leasing or financing of the Facilities including the cost of planning and designing the Facilities, and all costs associated with the formation of CFD No. 2022-1 issuance of the Bonds, as well as administration and collection of the special taxes and costs otherwise incurred to carry out the authorized purposes of CFD No. 2022-1. The Board of Education directs that the Community Facilities District Report shall be provided to the Board of Education for consideration at the Hearing scheduled for July 19, 2022, and at that time copies of such Community Facilities District Report shall be available for public review.

Section 12. The School District may accept advances of funds from any sources, including private persons or private entities, and is authorized and directed to use such funds for any authorized purpose, or paying for any cost incurred by the School District in creating CFD No. 2022-1. The School District may enter into agreements to:

(i) repay all such funds which are not expended or committed for any authorized purpose at the time of the election regarding the levy of the special taxes, if the proposal to levy such taxes should fail; and

(ii) to repay all such funds advanced from the proceeds of Bonds if Bonds of CFD No. 2022-1 are issued and sold.

The obligation to repay any advances made to the School District shall not be a debt nor obligation of the School District.

Section 13. At the Hearing, protests against the proposals described in this Resolution of Intention may be made orally by any interested person. Any protests pertaining to the regularity or sufficiency of the Hearing shall be in writing and shall clearly set forth the irregularities and/or defects to which the objection is made. All written protests not personally presented by the author of that protest at the Hearing shall be filed with the Clerk of the Board of Education at or before the time fixed for the Hearing. Written protests may be withdrawn in writing at any time before the conclusion of the Hearing. If, after completion of the Hearing, the Board of Education determines that written protests against the establishment of CFD No. 2022-1 have been filed by 50% or more of the registered voters, or six registered voters, whichever is greater, residing within the boundaries of CFD No. 2022-1, or owners of one-half or more of the area of land proposed to be included within CFD No. 2022-1 and not exempt from the special taxes, no further proceedings to establish CFD No. 2022-1 or authorize the specified special taxes, shall be taken for a period of one year from the date of such funding by the Board of Education. If such majority protest is limited to certain Facilities or specified special taxes, those Facilities or the specified special taxes shall be eliminated from the resolution of formation by the Board of Education.

Section 14. The Clerk of the Board of Education is hereby directed to have a notice of the Hearing (“Notice”) published pursuant to Section 6061 of the Government Code of the State of California in a newspaper of general circulation published in the area of proposed CFD No. 2022-1. Such Notice shall contain a summary of this Resolution, state the time and place of the Hearing, contain a statement that the testimony of all interested persons or taxpayers shall be heard, have a description of the protest rights of the registered voters and landowners within the

boundaries of proposed CFD No. 2022-1, and contain a description of the proposed voting procedure for the election required by the Act. Such publication shall be completed at least seven days prior to the date of the Hearing. Additionally, the Clerk is hereby directed to file, or arrange to be filed, a copy of this Resolution in accordance with the provisions of Government Code Section 53315.6.

Section 15. If, following the Hearing, and subject to the provisions of Section 14, above, the Board of Education determines to establish CFD No. 2022-1, the Board of Education shall then submit the levy of the special taxes in an election ("Election") to the qualified electors of CFD No. 2022-1 pursuant to requirements contained in the Act and the applicable provisions of the Elections Code. If at least 12 persons, who need not necessarily be the same 12 persons, have been registered to vote within CFD No. 2022-1 for each of the 90 days preceding the close of the Hearing, the vote shall be by registered voters of CFD No. 2022-1 with each voter having one vote. If there are 12 or less persons registered to vote for each of the 90 days preceding the close of the Hearing, pursuant to Section 53326 of the Act, the vote shall be by the landowners of CFD No. 2022-1, with each landowner having one vote for each acre of land that he or she owns within the CFD No. 2022-1 not exempt from the special taxes.

The Election shall be conducted at least 90 days, but not more than 180 days, following the adoption of the Resolution of Formation adopted pursuant to Section 53325.1 of the Act. Notwithstanding the foregoing, the election may be conducted less than 90 days after the adoption of the Resolution of Formation with the unanimous consent of the qualified electors pursuant to Section 53326(a) of the Act. If the election is to be held less than 125 days following the close of the Hearing, the concurrence of the Election Official, as designated and defined herein, conducting the Election shall be required.

The School District staff and consultants are directed to undertake, with the Riverside County Registrar of Voters office, a review of the Project Area to determine the number of registered voters, if any, within the Project Area. The results of such review shall be provided to this Board of Education at or prior to the adoption of the Resolution of Formation.

Based upon information furnished to the School District it is anticipated that there will be less than 12 registered voters within the Project Area and that the Election will be among landowner voters of CFD No. 2022-1. Contingent upon the timely completion of the above-referenced events and requirements, the Board of Education is expected to call and hold the Election at the date and time of the Hearing. Also contingent on such actions and findings, this Board of Education hereby states it intends to appoint the District's Chief Business Official, or such District officer or employee as the Board of Education or District Superintendent shall hereafter designate in writing, to serve as the election official ("Election Official") for the Election to be conducted within CFD No. 2022-1, pursuant to Government Code Section 53327(b).

Pursuant to Government Code Section 53326(d) the Board of Education may determine to distribute the ballots for such Election by mail, or may allow such ballots to be distributed by hand.

Subject to the foregoing, in the Resolution of Formation the Board of Education shall provide for additional provisions and voter qualifications for the call and conduct of the Election, as the Board of Education shall determine and direct.

Section 16. The Community Facilities District Financing Policy is incorporated herein by this reference. The Community Facilities District Financing Policy is hereby made applicable to all proceedings for the formation of CFD No. 2022-1, the authorization of special taxes, the authorization to incur bonded indebtedness and all other matters relating to CFD No. 2022-1 unless expressly waived by action of this Board of Education. Pursuant to the provisions of the Act, this action shall constitute the adoption of a community facilities district financing policy for CFD No. 2022-1.

Section 17. It is the intention of this Board of Education, acting as the Legislative Body of CFD No. 2022-1, to cause Bonds, or other debt or securities of CFD No. 2022-1, to be issued pursuant to the Act to finance in whole or in part the acquisition and construction of the Facilities. The Bonds intended to be issued to finance the Facilities shall be specified in a resolution adopted by this Board of Education pursuant to the provisions of the Act.

Section 18. The Board of Education hereby determines that the formation of CFD No. 2022-1, and related election and procedural actions, will not have an effect on the environment and that such actions are correspondingly exempt from the requirements of the California Environmental Quality Act ("CEQA"). The Clerk of the School District is directed to, or arrange to, complete, execute, file and post a Notice of Exemption in such regard pursuant to the provisions and requirements of CEQA.


Section 19. No error, irregularity, informality, and no neglect or omission of any officer, in any procedure taken under this chapter, which does not directly affect the jurisdiction of the legislative body to order the installation of the Facility or the provision of service, shall void or invalidate such proceeding or any levy for the costs of such Facility or service. If any term, provision, finding, condition or directive of this Resolution, and the other proceedings for the formation of CFD No. 2022-1, including, but not limited to, the authorization of the special tax, the authorization of the Bonds and related matters thereto shall, to any extent, be held invalid or unenforceable, the remainder of the proceedings, or the application of such term, provision, finding, condition or directive other than those to whom or which it is held invalid or unenforceable, shall not be affected thereby, and each such term, provision, finding, condition or directive shall be valid and enforceable to the fullest extent provided by law. If this Resolution, or the proceedings relative to CFD No. 2022-1 are held invalid or unenforceable as against any particular piece or parcel of property within CFD No. 2022-1, the remainder of the proceedings, or the application of any term, provision, finding, condition or directive applicable to other parcels of properties as against which such holding is not applicable, shall continue to be valid and enforceable to the fullest extent provided by law.

Section 20. That the Superintendent and Chief Business Official of the School District, or their designee(s), and other officers of the School District, are authorized to take any and all actions necessary to implement the orders and directives of this Resolution to proceed with the establishment of proposed CFD No. 2022-1 and the authorization of special taxes of CFD No. 2022-1, within the time periods specified by the Act.


Section 21. This Resolution shall take effect upon adoption.

APPROVED, ADOPTED, AND SIGNED on this 14th day of June, 2022.

MORENO VALLEY UNIFIED SCHOOL DISTRICT

By: 
Cleveland Johnson, President of the Board
of Education of the Moreno Valley Unified
School District

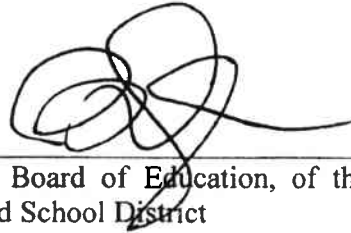
ATTEST:

By: 
Brandy Clark, Clerk of the Board of
Education of the Moreno Valley Unified
School District

STATE OF CALIFORNIA)
) ss.
COUNTY OF RIVERSIDE)

I, Brandy Clark, Clerk, Board of Education of the Moreno Valley Unified School District, do hereby certify that the foregoing was duly adopted by the Board of Education of such District at a regular meeting of said Board held on the 14th day of June, 2022, at which a quorum of the Board was present and acting throughout, for which notice and an agenda were prepared and posted as required by law, the Board members had due notice of the meeting, and the attached resolution was adopted at such meeting by the following vote:

AYES: 5
NOES: 0
ABSTAIN: 0
ABSENT: 0



Clerk, Board of Education, of the Moreno Valley
Unified School District

STATE OF CALIFORNIA)
) ss.
COUNTY OF RIVERSIDE)

I, Brandy Clark, Clerk of the Board of Education of the Moreno Valley Unified School District, do hereby certify that the foregoing is a true and correct copy of Resolution No. 2021-22-58 which was duly adopted by Board of Education of the Moreno Valley Unified School District at a meeting thereof on June 14, 2022.



Clerk, Board of Education, of the Moreno Valley
Unified School District

EXHIBIT "A"

DESCRIPTION OF FACILITIES TO BE FINANCED

The types of facilities ("Facilities") proposed to be planned for, designed, acquired, constructed, leased, expanded, improved, rehabilitated and financed by proposed Community Facilities District No. 2022-1 of the Moreno Valley Unified School District ("CFD No. 2022-1"), under the Mello Roos Community Facilities Act of 1982, as amended ("Act"), are as follows:

"School Facilities" includes, but not by way of limitation, facilities of the Moreno Valley Unified School District ("School District") consisting of the planning, engineering, design, acquisition, construction, lease, improvement, and/or financing of interim and permanent facilities, including classrooms, multi-purpose facilities, administration and auxiliary space at school facilities as reasonably determined from time to time by the School District to be necessary to accommodate the student population to be generated as a result of development, including the property within CFD No. 2022-1, during the term of the special taxes as follows:

(a) K-12 school sites and facilities, including lease rental payments therefore related to the acquisition of land, or interests in land required for the construction of such on-site or off-site facilities, including, but not limited to, buildings, appurtenances, athletic fields, playgrounds and recreational facilities and improvements thereto, landscaping, access roadways, drainage, sidewalks and gutters and utility lines, as well as portable or relocatable buildings or interim additions to existing buildings at such school facilities.

(b) Modernization, rehabilitation, relocation and expansion of existing school facilities and related infrastructure.

(c) Central support, administrative facilities, special education facilities and transportation facilities, including, but not by way of limitation, buses and vehicles.

(d) Furniture, equipment and technology, including technology upgrades and mobile devices and infrastructure therefore, with a useful life of at least five (5) years at such school facilities.

(e) The costs attributable to planning, engineering, designing, leasing, financing, acquiring, expanding, relocating, rehabilitating, or constructing (or any combination thereof) of school facilities (including, without limitation, construction management, inspection, materials testing, and construction staking); any "debt," as defined in Government Code Section 53317(d), the costs to issue and sell any such debt (including, without limitation, underwriters discount, appraisals, market studies, reserve fund, capitalized interest, bond counsel, special tax consultant, bond trustee or fiscal agent, bond and official statement printing, and administrative expenses of the School District and/or CFD No. 2022-1), and all other incidental expenses.

The School Facilities shall be constructed, whether or not acquired in their completed states, pursuant to plans and/or specifications approved by the School District. The School Facilities described in this Exhibit are representative of the types of improvements to be funded

or financed by CFD No. 2022-1. Addition, deletion or modification of School Facilities may be made consistent with the requirements of the School District, CFD No. 2022-1, and the Mello-Roos Act.

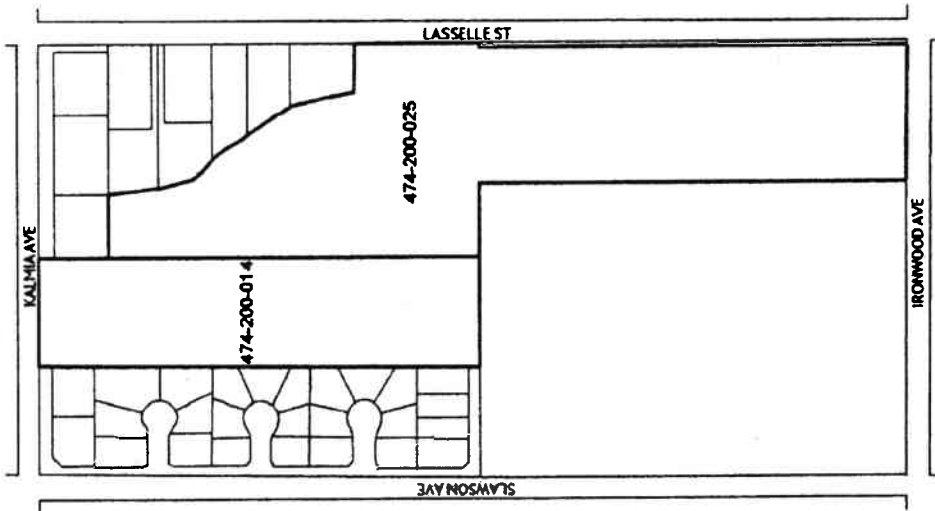
“EMWD Facilities” consist of water and sewer facilities including the acquisition of capacity in the sewer system and/or water system of Eastern Municipal Water District, and all appurtenances and appurtenant work in connection with the foregoing, including the cost of engineering, planning, designing, materials testing, coordination, construction staking, construction management and supervision for such EMWD Facilities and any other expense incidental to the construction, acquisition, modification, expansion or rehabilitation of such EMWD facilities. The EMWD Facilities listed herein are representative of the types of improvements authorized to be financed by the CFD. Detailed scope and limits of specific projects will be determined as appropriate, consistent with the standards of the Eastern Municipal Water District. Addition, deletion or modification of descriptions of the EMWD Facilities may be made consistent with the requirements of the Board of Directors of Eastern Municipal Water District, the CFD and the Act.

“City Facilities” consist of the acquisition, purchase, construction, expansion, improvement or rehabilitation of (i) public improvements authorized to be financed with City development impact fees (“DIF”) including, but not limited to Police facilities, arterial street and park improvements and (ii) public improvements that are constructed by the Developer but are owned, operated or maintained by the City of Moreno Valley (“City”), including, without limitation, improvements to storm drain, street and traffic signal and all direct and incidental expenses related thereto such as site acquisition, planning, design, engineering, City legal services, materials testing, coordination, surveying, construction staking, construction management, consulting services, inspection and any and all appurtenant facilities and appurtenant work related to the foregoing. The City Facilities shall be constructed, whether or not acquired in their complete states, pursuant to plans and specifications approved by the City or any other governmental entity that will own and operate the same.



EXHIBIT "B"

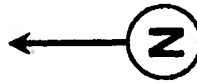
**PROPOSED BOUNDARY MAP OF
COMMUNITY FACILITIES DISTRICT NO. 2022-1**

PROPOSED BOUNDARY MAP OF
COMMUNITY FACILITIES DISTRICT NO. 2022-1 OF THE
MORENO VALLEY UNIFIED SCHOOL DISTRICT
RIVERSIDE COUNTY
STATE OF CALIFORNIA



LEGEND

	Boundaries of Community Facilities District
	Boundaries of Assessor's Parcels
###-###-###	Assessor's Parcel Number



(1) Filed in the office of the Clerk of the Board of Education of the Moreno Valley Unified School District this ___ day of _____, 20__

_____, Clerk of the Board of Education
Moreno Valley Unified School District

(2) I hereby certify that the within map showing the proposed boundaries of Community Facilities District No. 2022 -1 of the Moreno Valley Unified School District, Riverside County, State of California, was approved by the Board of Education of the Moreno Valley Unified School District at the regular meeting thereof, held on this ___ day of _____, 20__ by its Resolution No. _____

_____, Clerk of the Board of Education
Moreno Valley School District

(3) Filed this ___ day of _____, 2022, at the hour of ___ o'clock ___ M. in Book _____ of Maps Assessments and Community Facilities Districts at Pages _____ and as Instrument No. _____ in the offices of the County Recorder of Riverside County, State of California.

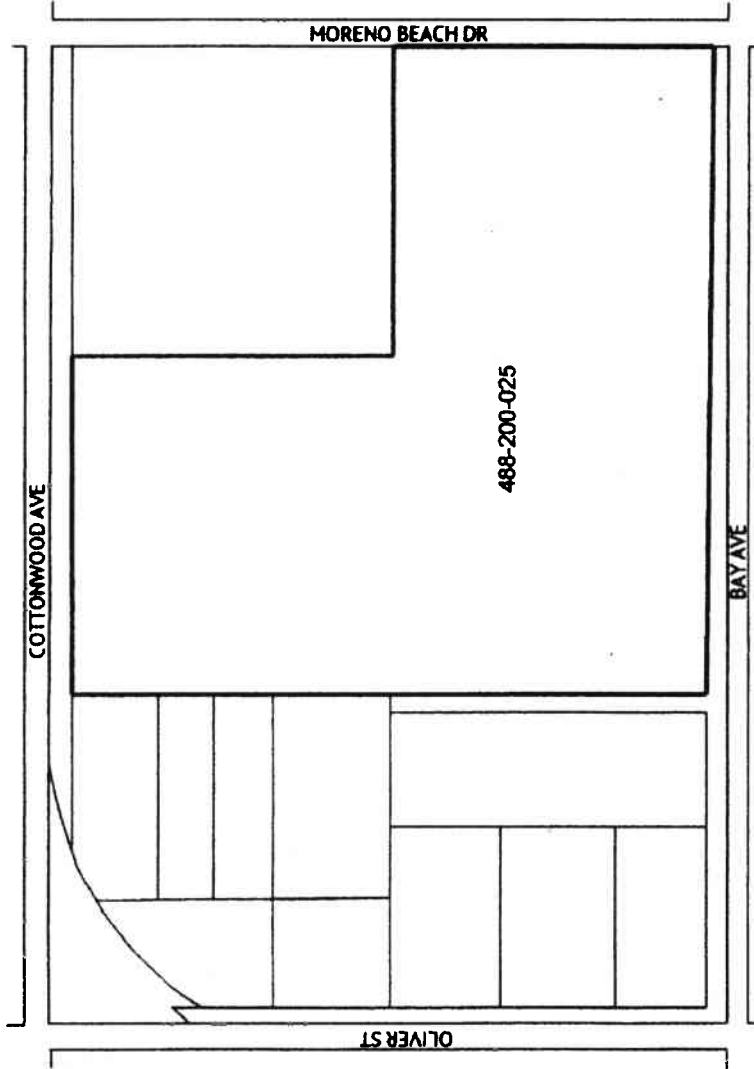
Fee: \$ _____

By: _____
County Recorder of Riverside County
Assessor-Clerk-Recorder Peter Adams

Reference is hereby made to the Assessor maps of the County of Riverside for an exact description of the lines and dimensions of each lot and parcel.

Prepared by: KeyAnalytics

PROPOSED BOUNDARY MAP OF
COMMUNITY FACILITIES DISTRICT NO. 2022-1 OF THE
MORENO VALLEY UNIFIED SCHOOL DISTRICT
RIVERSIDE COUNTY
STATE OF CALIFORNIA



LEGEND



Boundaries of Community Facilities District



Boundaries of Assessor's Parcels

488-200-025 Assessor's Parcel Number

Reference is hereby made to the Assessor maps of the County of Riverside for an exact description of the lines and dimensions of each lot and parcel.

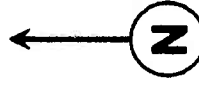


EXHIBIT "C"
RATE AND METHOD OF APPORTIONMENT

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES OF
COMMUNITY FACILITIES DISTRICT NO. 2022-1 OF
THE MORENO VALLEY UNIFIED SCHOOL DISTRICT**

A Special Tax, as defined herein, shall be levied on and collected from all Assessor's Parcels in Community Facilities District No. 2022-1 of the Moreno Valley Unified School District each Fiscal Year, as defined herein, commencing in Fiscal Year 2022/2023, in an amount determined by the Board through the application of the Rate and Method of Apportionment of Special Taxes ("RMA"), as defined herein, described below. All the real property within the District, unless exempted by law or by provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

**SECTION A
DEFINITIONS**

For purposes of this RMA, the terms hereinafter set forth have the following meanings:

"Acreage" means the number of acres of land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the Administrator may rely on the land area shown on the applicable Final Map.

"Act" means the Mello-Roos Communities Facilities Act of 1982, as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means any ordinary and necessary expense incurred by the School District on behalf of the District related to the determination of the amount of the levy of Special Taxes, the collection of Special Taxes, including, but not limited to, the reasonable expenses of collecting delinquencies, the administration of Bonds, the proportionate payment of salaries and benefits of any School District employee whose duties are directly related to the administration of the District, and reasonable costs otherwise incurred in order to carry out the authorized purposes of the District including, but not limited to, a proportionate amount of School District general administrative overhead related thereto.

"Administrator" means an official of the School District or designee thereof, responsible for determining the levy and collection of the Special Taxes.

"Annual Special Tax" means the Special Tax levied in any Fiscal Year on any Assessor's Parcel.

"Assessor's Parcel" means a parcel of land designated on an Assessor's Parcel Map with an assigned Assessor's Parcel Number within the boundaries of the District.

"Assessor's Parcel Map" means an official map of the Assessor of the County designating parcels by Assessor's Parcel Number.

"Assessor's Parcel Number" means that number assigned to an Assessor's Parcel by the County for purposes of identification.

"Assigned Annual Special Tax" means the Special Tax of that name described in Section D hereof.

"Backup Annual Special Tax" means the Special Tax of that name described in Section E hereof.

"Board" means the Governing Board (Board of Education) of the School District, or its designee(s), acting as the Legislative Body of the District.

"Bond Index" means the national Bond Buyer Revenue Index, commonly referenced as the 25-Bond Revenue Index. In the event the Bond Index ceases to be published, the index used shall be based on a comparable index for revenue bonds maturing in 30 years with an average rating equivalent to Moody's A1 and/or Standard & Poor's A+, as determined by the Board.

"Bond Yield" means the yield of the last series of Bonds issued. For purposes of this calculation the yield of the Bonds shall be the yield calculated at the time such Bonds are issued, pursuant to Section 148 of the Internal Revenue Code of 1986, as amended, for the purpose of the Non-Arbitrage (Tax) Certificate or other similar bond issuance document.

"Bonds" means any obligation to repay a sum of money, including obligations in the form of bonds, notes, certificates of participation, long-term leases, loans from government agencies, or loans from banks, other financial institutions, private businesses, or individuals, or long-term contracts, or any refunding thereof, to which the Special Taxes have been pledged for repayment.

"Building Square Footage" or **"BSF"** means the square footage of assessable internal living space of a Unit, exclusive of any carports, walkways, garages, overhangs, patios, enclosed patios, detached accessory structure, other structures not used as living space, or any other square footage excluded under Government Code Section 65995 as determined by reference to the building permit(s) for such Unit.

"County" means the County of Riverside, California.

"Developed Property" means all Assessor's Parcels of Taxable Property for which building permit(s) were issued on or before May 1 of the prior Fiscal Year, provided that such Assessor's Parcels were created on or before January 1 of the prior Fiscal Year, as reasonably determined by the Administrator.

"District" means Community Facilities District No. 2022-1 of the School District.

"Exempt Property" means all Assessor's Parcels designated as being exempt from Special Taxes pursuant to Section K hereof.

"Final Map" means a final tract map, parcel map, condominium map lot line adjustment, or functionally equivalent map or instrument that creates individual Lots, recorded in the Office of the County Recorder.

"Fiscal Year" means the period commencing on July 1 of any year and ending on the following June 30.

"Goals and Policies" means the "Local Goals and Policies" for Community Facilities Districts established by the School District approved by the Board by Resolution No. 2001-02-41 on January 15, 2002, as amended from time to time.

"Land Use Class or Classes" means the tax classifications depicted in Table 1 for all Assessor's

Parcel of Developed Property based on the Building Square Footage of such Assessor's Parcel.

"Lot" means an individual legal lot created by a Final Map for which a building permit for residential construction has been or could be issued.

"Maximum Special Tax" means for each Assessor's Parcel, the maximum Special Tax, determined in accordance with Section C, which can be levied by the District in a given Fiscal Year on such Assessor's Parcel.

"Mitigation Agreement" means the School Facilities Funding and Mitigation Agreement made and entered into as of June 13, 2022 by and among the School District and KB Home Coastal Inc.

"Net Taxable Acreage" means the total Acreage of Developed Property expected to exist within the District after all Final Maps are recorded.

"Partial Prepayment Amount" means the amount required to prepay a portion of the Special Tax obligation for an Assessor's Parcel as described in Section I hereof.

"Prepayment Administrative Fees" means any fees or expenses of the School District or the District associated with the prepayment of the Special Tax obligation of an Assessor's Parcel. Prepayment Administrative Fees shall include, among other things, the cost of computing the Prepayment Amount, redeeming Bonds, and recording or filing of any notices to evidence such prepayment and any associated or resulting redemption of Bonds.

"Prepayment Amount" means the amount required to prepay the Special Tax obligation in full for an Assessor's Parcel as described in Section H hereof.

"Present Value of Taxes" means for any Assessor's Parcel the present value of (i) the unpaid portion, if any, of the Annual Special Tax applicable to such Assessor's Parcel in the current Fiscal Year and (ii) the Special Taxes expected to be levied on such Assessor's Parcel in each remaining Fiscal Year, as determined by the Administrator, until the termination date specified in Section J, but in no event longer than 33 Fiscal Years. The discount rate used for this calculation shall be equal to (a) the Bond Yield after Bond issuance or (b) the most recently published Bond Index prior to Bond issuance.

"Proportionately" means that the ratio of the actual Annual Special Tax levy to the applicable Assigned Annual Special Tax is equal for all applicable Assessor's Parcels. In the case of Developed Property subject to apportionment of the Annual Special Tax under Step Four of Section G, "Proportionately" shall mean that the quotient of (i) the Annual Special Tax less the Assigned Annual Special Tax divided by (ii) the Backup Annual Special Tax less the Assigned Annual Special Tax is equal for all applicable Assessor's Parcels.

"Provisional Undeveloped Property" means all Assessor's Parcels of Taxable Property that would otherwise be classified as Exempt Property pursuant to Section K but cannot be classified as Exempt Property because to do so would reduce the Net Taxable Acreage below the required minimum Acreage set forth in Section K, for each applicable Zone.

"Reserve Fund Credit" means an amount equal to the lesser of (i) the reduction in the applicable reserve fund requirement(s) resulting from the redemption of Bonds with the Prepayment Amount or (ii) ten percent (10%) of the amount of Bonds which will be redeemed. If a surety bond or other

credit instrument satisfies the reserve requirement or the reserve requirement is underfunded at the time of the prepayment, no Reserve Fund Credit shall be given.

"School District" means the Moreno Valley Unified School District, a public school district organized and operating pursuant to the Constitution and laws of the State of California.

"Special Tax" means any of the special taxes authorized to be levied by the District pursuant to the Act and this RMA.

"Special Tax Requirement" means the amount required in any Fiscal Year to pay (i) the debt service or the periodic costs on all outstanding Bonds, (ii) Administrative Expenses, (iii) the costs associated with the release of funds from an escrow account or accounts established in association with the Bonds, (iv) any amount required to establish or replenish any reserve funds (or accounts thereof) established in association with the Bonds, and (v) the collection or accumulation of funds for the acquisition or construction of school facilities and certain costs associated with the maintenance and operations of school facilities authorized by the District provided that the inclusion of such amount does not cause an increase in the levy of Special Tax on Undeveloped Property or Provisional Undeveloped Property as set forth in Steps Two through Four of Section G, less (vi) any amount(s) available to pay debt service or other periodic costs on the Bonds pursuant to any applicable bond indenture, fiscal agent agreement, trust agreement, or equivalent agreement or document. In arriving at the Special Tax Requirement, the Administrator shall take into account the reasonably anticipated delinquent Special Taxes, provided that the amount included cannot cause the Annual Special Tax of an Assessor Parcel of Developed Property to increase by greater than ten percent (10%) of what would have otherwise been levied.

"Taxable Property" means all Assessor's Parcels which are not classified as Exempt Property.

"Undeveloped Property" means all Assessor's Parcels of Taxable Property which are not classified as Developed Property.

"Unit" means each separate residential dwelling unit, including but not limited to, a single family attached or detached unit, condominium, an apartment unit, mobile home, or otherwise, excluding hotel and motels.

"Zone" means the areas identified as a Zone of the District as depicted in Exhibit A of this RMA.

"Zone 1" means all property located within the area identified as Zone 1 of the District as depicted in Exhibit A, subject to interpretation by the Administrator as described in Section B.

"Zone 2" means all property located within the area identified as Zone 2 of the District as depicted in Exhibit A, subject to interpretation by the Administrator as described in Section B.

**SECTION B
CLASSIFICATION OF ASSESSOR'S PARCELS**

Each Fiscal Year, commencing with Fiscal Year 2022/2023, all Assessor's Parcels within the CFD shall be assigned to a Zone in accordance with Exhibit A, all Assessor's Parcels within each Zone shall be classified as either Taxable Property or Exempt Property. In addition, each Assessor's Parcel of Taxable Property shall be further classified as Developed Property, Undeveloped Property or Provisional Undeveloped Property. Developed Property shall be assigned to a Land Use Class, according to Table 1 below, based on the Building Square Footage of each Unit.

**Table 1
Land Use Classification**

Zone	Land Use Class	Building Square Footage
1	1	< 1,600 sq.ft
1	2	1,600 - 1,899 sq.ft
1	3	1,900 - 2,200 sq.ft
1	4	> 2,200 sq.ft
2	5	< 1,700 sq.ft
2	6	1,700 - 1,999 sq.ft
2	7	2,000 - 2,300 sq.ft
2	8	> 2,300 sq.ft

**SECTION C
MAXIMUM SPECIAL TAX**

1. Developed Property

The Maximum Special Tax for each Assessor's Parcel classified as Developed Property shall be the greater of the amount derived by the application of the (a) Assigned Annual Special Tax or (b) Backup Annual Special Tax.

2. Undeveloped Property and Provisional Undeveloped Property

The Maximum Special Tax for each Assessor's Parcel classified as Undeveloped Property or Provisional Undeveloped Property shall be derived by the application of the Assigned Annual Special Tax.

**SECTION D
ASSIGNED ANNUAL SPECIAL TAXES**

1. Developed Property

The Assigned Annual Special Tax for each Assessor's Parcel of Developed Property will be determined in accordance with Table 2 below, subject to increases as described below.

**Table 2
Fiscal Year 2022/2023
Assigned Annual Special Taxes**

Zone	Land Use Class	Building Square Footage	Assigned Annual Special Tax
1	1	< 1,600 sq.ft	\$3,564.90 per Unit
1	2	1,600 - 1,899 sq.ft	\$3,697.50 per Unit
1	3	1,900 - 2,200 sq.ft	\$3,937.20 per Unit
1	4	> 2,200 sq.ft	\$4,136.10 per Unit
2	5	< 1,700 sq.ft	\$3,672.00 per Unit
2	6	1,700 - 1,999 sq.ft	\$3,814.80 per Unit
2	7	2,000 - 2,300 sq.ft	\$4,029.00 per Unit
2	8	> 2,300 sq.ft	\$4,187.10 per Unit

2. Undeveloped Property and Provisional Undeveloped Property

The Assigned Annual Special Tax for each Assessor's Parcel of Undeveloped Property or Provisional Undeveloped Property within Zone 1 in Fiscal Year 2022/2023 shall be \$19,488.86 per acre of Acreage. The Assigned Annual Special Tax for each Assessor's Parcel of Undeveloped Property or Provisional Undeveloped Property within Zone 2 in Fiscal Year 2022/2023 shall be \$18,069.74 per acre of Acreage.

3. Increases in the Assigned Annual Special Tax

a. Developed Property

On each July 1, commencing July 1, 2023, the Assigned Annual Special Tax applicable to Developed Property within Zone 1 and Zone 2 shall be increased by two percent (2.00%) of the amount in effect the prior Fiscal Year.

b. Undeveloped Property and Provisional Undeveloped Property

On each July 1, commencing July 1, 2023, the Assigned Annual Special Tax per acre of

Acreege for Undeveloped Property and Provisional Undeveloped Property within Zone 1 and Zone 2 shall be increased by two percent (2.00%) of the amount in effect the prior Fiscal Year.

SECTION E BACKUP ANNUAL SPECIAL TAX

Each Fiscal Year, each Assessor's Parcel of Developed Property shall be subject to a Backup Annual Special Tax.

1. Calculation of the Backup Annual Special Tax

The Backup Annual Special Tax for an Assessor's Parcel of Developed Property within a Final Map shall be the rate per Lot calculated in accordance with the following formula in Fiscal Year 2022/2023 or such later Fiscal Year in which such Final Map is created, subject to increases as described below:

$$B = (U \times A) / L$$

The terms above have the following meanings:

- | | | |
|---|---|--|
| B | = | Backup Annual Special Tax per Lot for the applicable Final Map |
| U | = | Assigned Annual Special Tax per Acre of Undeveloped Property in the Fiscal Year the calculation is performed for such Zone |
| A | = | Acreege of Taxable Property expected to exist within such Final Map at the time of calculation, as determined by the Administrator |
| L | = | Number of Lots within the applicable Final Map at the time of calculation |

2. Changes to a Final Map

If the Final Map(s) described in the preceding paragraph are subsequently changed or modified, then the Backup Annual Special Tax for each Assessor's Parcel of Developed Property changed or modified in each such Final Map shall be a rate per square foot of Acreege calculated as follows:

- a. Determine the total Backup Annual Special Tax revenue anticipated to apply to the changed or modified Assessor's Parcels prior to the change or modification.
- b. The result of paragraph a. above shall be divided by the Acreege of Taxable Property of the modified Assessor's Parcels, as reasonably determined by the Administrator.

- c. The result of paragraph b above shall be divided by 43,560. The result is the Backup Annual Special Tax per square foot of Acreage that shall be applicable to the modified Assessor's Parcels, subject to increases as described below.

3. **Increase in the Backup Annual Special Tax**

Each July 1, commencing the July 1 following the initial calculation of the Backup Annual Special Tax for Developed Property within a Final Map, the Backup Annual Special Tax for each Lot within such Final Map shall be increased by two percent (2.00%) of the amount in effect the prior Fiscal Year.

**SECTION F
REDUCTION OF THE SPECIAL TAX
PRIOR TO BOND SALE**

Prior to the issuance of the first series of Bonds, the Maximum Special Tax and Assigned Annual Special Tax on Taxable Property may be reduced in accordance with, and subject to, the conditions set forth in this Section F and the terms of the Mitigation Agreement without the need for any proceedings to make changes as permitted or required under the Act.

Prior to the issuance of the first series of Bonds the Administrator may review information regarding the current and expected value of residential units within the District and prepare an analysis estimating the total property tax burden of completed homes within the District. The Maximum Special Tax and Assigned Annual Special Tax on Taxable Property may be reduced with the written consent of the Administrator to a level such that the resulting estimated total property tax rate complies with the School District's Goals and Policies and the terms of the Mitigation Agreement.

With respect to any Assessor's Parcel for which the Special Tax is reduced, the Board shall indicate in the records of the District that there has been a reduction of the Special Tax obligation and shall cause a suitable notice to be recorded in compliance with the Act to indicate the reduction of the Special Tax obligation by executing a certificate in substantially the form attached herein as Exhibit B.

**SECTION G
METHOD OF APPORTIONMENT
OF THE ANNUAL SPECIAL TAX**

Commencing Fiscal Year 2022/2023 and for each subsequent Fiscal Year, the Board shall levy Annual Special Taxes on all Taxable Property in accordance with the following steps:

- Step One:** The Special Tax shall be levied on each Assessor's Parcel of Developed Property at the Assigned Annual Special Tax applicable to each such Assessor's Parcel.
- Step Two:** If additional moneys are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Assigned Annual Special Tax applicable to each such Assessor's Parcel as needed to satisfy the Special

Tax Requirement.

Step Three: If additional moneys are needed to satisfy the Special Tax Requirement after the second step has been completed, the Special Tax on each Assessor's Parcel of Developed Property, for which the Maximum Special Tax is the Backup Annual Special Tax, shall be increased Proportionately from the Assigned Annual Special Tax up to 100% of the Backup Annual Special Tax applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement.

Step Four: If additional moneys are needed to satisfy the Special Tax Requirement after the third step has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Provisional Undeveloped Property up to 100% of the Assigned Annual Special Tax applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement.

SECTION H PREPAYMENT OF SPECIAL TAXES

1. Special Tax Prepayment Times and Conditions

The Special Tax obligation of an Assessor's Parcel of Taxable Property may be prepaid, if there are no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor's Parcel. An owner of an Assessor's Parcel intending to prepay the Special Tax shall provide the School District with written notice of intent to prepay. Within thirty (30) days of receipt of such written notice, the Administrator shall determine the Prepayment Amount for such Assessor's Parcel and shall notify such owner of such Prepayment Amount.

2. Special Tax Prepayment Calculation

The Prepayment Amount shall be calculated according to the following formula:

$$P = PVT - RFC + PAF$$

The terms above have the following meanings:

P	=	Prepayment Amount
PVT	=	Present Value of Taxes
RFC	=	Reserve Fund Credit
PAF	=	Prepayment Administrative Fees

3. Special Tax Prepayment Procedures and Limitations

The amount representing the Present Value of Taxes attributable to the prepayment less the Reserve Fund Credit attributable to the prepayment shall, prior to the issuance of Bonds, be

deposited into a separate account held with the School District and disbursed in accordance with the Mitigation Agreement and after the issuance of Bonds be deposited into the applicable account or fund established under the trust agreement, indenture agreement or fiscal agent agreement and used to pay debt service or redeem Bonds. The amount representing the Prepayment Administrative Fees attributable to the prepayment shall be retained and deposited into the applicable account by the District.

With respect to any Assessor's Parcel for which the Special Tax is prepaid, the Board shall indicate in the records of the District that there has been a prepayment of the Special Tax obligation and shall cause a suitable notice to be recorded in compliance with the Act to indicate the prepayment of the Special Tax obligation and the release of the Special Tax lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay such Special Tax shall cease.

Notwithstanding the foregoing, no prepayment will be allowed unless the amount of Assigned Annual Special Taxes that may be levied on Taxable Property, net of Administrative Expenses and excluding Provisional Undeveloped Property, after such prepayment shall be at least 1.10 times the regularly scheduled annual interest and principal payments on all currently outstanding Bonds in each future Fiscal Year and such prepayment will not impair the security of all currently outstanding Bonds, as reasonably determined by the Administrator. Such determination shall include identifying all Assessor's Parcels that are expected to be classified as Exempt Property.

Notwithstanding the above, the ability to prepay the Special Tax obligation of an Assessor's Parcel may be suspended, by the Administrator, acting in his or her absolute and sole discretion for and on behalf of the District, without notice to the owners of property within the District for a period of time, not to exceed sixty (60) days, prior to the scheduled issuance of Bonds by the District to assist in the efficient preparation of the required bond market disclosure.

SECTION I PARTIAL PREPAYMENT OF SPECIAL TAXES

1. Partial Prepayment Times and Conditions

The Special Tax obligation for Assessor's Parcels of Taxable Property may be partially prepaid in increments of ten (10) Units, provided that there are no delinquent Special Taxes, penalties, or interest charges outstanding with respect to such Assessor's Parcels at the time the Special Tax obligation would be partially prepaid. An owner of an Assessor's Parcel(s) intending to partially prepay the Special Tax shall provide the District with written notice of their intent to partially prepay. Within thirty (30) days of receipt of such written notice, the Administrator shall determine the Partial Prepayment Amount of such Assessor's Parcel and shall notify such owner of such Partial Prepayment Amount.

2. Partial Prepayment Calculation

The Partial Prepayment Amount shall be calculated according to the following formula:

$$PP = PVT \times F - RFC + PAF$$

The terms above have the following meanings:

PP	=	the Partial Prepayment Amount
PVT	=	Present Value of Taxes
F	=	the percent by which the owner of the Assessor's Parcel is partially prepaying the Special Tax obligation
RFC	=	Reserve Fund Credit
PAF	=	Prepayment Administrative Fees

3. Partial Prepayment Procedures and Limitations

The amount representing the Present Value of Taxes attributable to the prepayment less the Reserve Fund Credit attributable to the prepayment shall, prior to the issuance of Bonds, be deposited into a separate account held with the School District and disbursed in accordance with the Mitigation Agreement and after the issuance of Bonds be deposited into the applicable account or fund established under the trust agreement or indenture agreement or fiscal agent agreement and used to pay debt service or redeem Bonds. The amount representing the Prepayment Administrative Fees attributable to the prepayment shall be retained and deposited into the applicable account by the District.

With respect to any Assessor's Parcel for which the Special Tax obligation is partially prepaid, the Board shall indicate in the records of the District that there has been a partial prepayment of the Special Tax obligation and shall cause a suitable notice to be recorded in compliance with the Act to indicate the partial prepayment of the Special Tax obligation and the partial release of the Special Tax lien on such Assessor's Parcel, and the obligation of such Assessor's Parcel to pay such prepaid portion of the Special Tax shall cease. Additionally, the notice shall indicate that the Assigned Annual Special Tax and the Backup Annual Special Tax if applicable for the Assessor's Parcel has been reduced by an amount equal to the percentage which was partially prepaid.

Notwithstanding the foregoing, no partial prepayment will be allowed unless the amount of Special Taxes that may be levied on Taxable Property, excluding Provisional Undeveloped Property, after such partial prepayment, and net of Administrative Expenses, shall be at least 1.10 times the regularly scheduled annual interest and principal payments on all currently outstanding Bonds in each future Fiscal Year and such partial prepayment will not impair the security of all currently outstanding Bonds, as reasonably determined by the Administrator. Such determination shall include identifying all Assessor's Parcels that are expected to be classified as Exempt Property.

Notwithstanding the above, the ability to prepay the Annual Special Tax obligation of an Assessor's Parcel may be suspended, by the Administrator, acting in his or her absolute and sole discretion for and on behalf of the District, without notice to the owners of property

within the District for a period of time, not to exceed sixty (60) days, prior to the scheduled issuance of Bonds by the District to assist in the efficient preparation of the required bond market disclosure.

SECTION J TERMINATION OF SPECIAL TAX

The Special Tax shall be levied for a term of three (3) Fiscal Years after the final maturity of the last series of Bonds, provided that the Special Tax shall not be levied later than Fiscal Year 2065/2066. However, the Special Tax may cease to be levied in an earlier Fiscal Year if the Board has determined (i) that all required interest and principal payments on the Bonds have been paid, (ii) all authorized facilities of the District have been acquired and all reimbursements have been paid, and (iii) all other obligations of the District have been satisfied.

SECTION K EXEMPTIONS

The Administrator shall classify as Exempt Property in the chronological order in which each Assessor Parcel becomes (i) owned by the State of California, federal or other local governments, (ii) used as places of worship and are exempt from *ad valorem* property taxes because they are owned by a religious organization, (iii) owned by a homeowners' association, (iv) burdened with a public or utility easements making impractical their utilization for other than the purposes set forth in the easement, or (v) any other Assessor's Parcels at the reasonable discretion of the Board, provided that no such classification would reduce the Net Taxable Acreage to less than the acres of Acreage listed in the table below for each Zone ("Minimum Taxable Acreage").

Zone	Minimum Taxable Acreage
1	20.4595
2	16.9660

Notwithstanding the above, the Administrator or Board shall not classify an Assessor's Parcel as Exempt Property if such classification would reduce the sum of the Acreage of all Taxable Property to less than the Minimum Taxable Acreage. Assessor's Parcels which cannot be classified as Exempt Property because such classification would reduce the Acreage of all Taxable Property to less than the Minimum Taxable Acreage will be classified as Provisional Undeveloped Property, as applicable, and will continue to be subject to Special Taxes accordingly.

SECTION L APPEALS

Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the Administrator to be received by the Administrator not later than six (6) months after having paid the first installment of the Special Tax that is disputed. The reissuance

or cancellation of a building permit is not an eligible reason for appeal. In order to be considered sufficient, any notice of appeal must (i) specifically identify the property by address and Assessor's Parcel Number, (ii) state the amount in dispute and whether it is the whole amount or only a portion of the Special Tax, (iii) state all grounds on which the property owner is disputing the amount or application of the Special Tax, including a reasonably detailed explanation as to why the amount or application of such Special Tax is incorrect, (iv) include all documentation, if any, in support of the claim, and (v) be verified under penalty of perjury by the person who paid the Special Tax or his or her guardian, executor or administrator. The Administrator shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and rule on the appeal. If the representative's decision requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the property owner, a cash refund shall not be made (except for the last year of levy), but an adjustment shall be made to the Special Tax on that Assessor's Parcel in the subsequent Fiscal Year(s) as the representative's decision shall indicate.

SECTION M MANNER OF COLLECTION

The Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes and shall be subject to the same penalties, the same procedure, sale and lien priority in the case of delinquency; provided, however, that the District may directly bill all or a portion of the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet its financial or contractual obligations, and if so collected, a delinquent penalty of ten percent (10%) of the Special Tax will attach at 5:00 p.m. on the date the Special Tax becomes delinquent and interest at 1.5% per month of the Special Tax will attach on the July 1 after the delinquency date and the first of each month thereafter until such Special Taxes are paid.

EXHIBIT A

Zone Classification

Zone	Assessor Parcel Number
Zone 1	474-200-014
	474-200-025
Zone 2	488-200-025

**EXHIBIT B
CERTIFICATE TO AMEND SPECIAL TAX
DISTRICT CERTIFICATE**

1. Pursuant to Section F of the Rate and Method of Apportionment of Community Facilities District No. 2022-1 of the Moreno Valley Unified School District ("District") hereby approves a reduction in the Assigned Annual Special Tax for Developed Property, Provisional Undeveloped Property and Undeveloped Property within the District.
- a. The information in Table 1 relating to the Fiscal Year 2022/2023 Assigned Annual Special Tax for Developed Property within the District shall be modified as follows:

**Table 2
Fiscal Year 2022/2023
Assigned Annual Special Taxes
for Developed Property**

Zone	Land Use Class	Building Square Footage	Assigned Annual Special Tax
1	1	< 1,600 sq.ft	\$_____ per Unit
1	2	1,600 - 1,899 sq.ft	\$_____ per Unit
1	3	1,900 - 2,200 sq.ft	\$_____ per Unit
1	4	> 2,200 sq.ft	\$_____ per Unit
2	5	< 1,700 sq.ft	\$_____ per Unit
2	6	1,700 - 1,999 sq.ft	\$_____ per Unit
2	7	2,000 - 2,300 sq.ft	\$_____ per Unit
2	8	> 2,300 sq.ft	\$_____ per Unit

- b. The Fiscal Year 2022/2023 Assigned Annual Special Tax for each Assessor's Parcel of Provisional Undeveloped Property and Undeveloped Property, as adjusted annually pursuant to Section D.2 of the RMA shall be \$[_____] for per acre for Zone 1 and be \$[_____] per acre for Zone 2. The Backup Annual Special Tax for Developed Property shall be recalculated pursuant to Section E of the RMA based on the foregoing adjusted Assigned Annual Special Tax per Acre per Zone for Undeveloped Property.

Date: _____, 20__

By: _____
Administrator