

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



ITEM: 3.37
(ID # 21807)

MEETING DATE:

Tuesday, May 23, 2023

FROM : OFFICE OF ECONOMIC DEVELOPMENT:

SUBJECT: OFFICE OF ECONOMIC DEVELOPMENT: Adoption of Ordinance No. 978, an Ordinance of the County of Riverside Authorizing the Levy of a Special Tax Within Community Facilities District No. 23-1M (Highgrove Town Center) TR 38025-1. District 1. [\$107,730 Ongoing Cost; 100% CFD No. 23-1M (Highgrove Town Center)] (Clerk to file Notice of Exemption; Clerk to Publish and Post) (CEQA Exempt)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Find that the adoption of Ordinance No. 978 is not a project or exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15378 and 15061(b)(3) (the Common Sense Exemption); and
2. Waive further reading and Adopt Ordinance No. 978, authorizing the Levy of a Special Tax within Community Facilities District No. 23-1M (Highgrove Town Center) of the County of Riverside; and
3. Direct the Clerk of the Board to file and post a Notice of Exemption with the County Clerk pursuant to Public Resources Code section 21152; and,
4. Direct the Clerk of the Board to publish a summary and post a copy of Ordinance No. 978 pursuant to Government Code Section 25124(b).

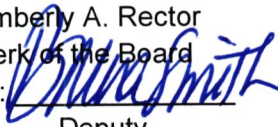
ACTION:Policy


Suzanne Holland, Director of Office of Economic Development 5/8/2023

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Spiegel, seconded by Supervisor Washington and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended and Ordinance 978 is adopted with waiver of the reading.

Ayes: Jeffries, Spiegel, Washington, Perez, and Gutierrez
Nays: None
Absent: None
Date: May 23, 2023
xc: O.E.D., Recorder, COBAB/CF

Kimberly A. Rector
Clerk of the Board
By: 
Deputy

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$107,730	\$ 0	\$107,730
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: 100% CFD 23-1M (Highgrove Town Center)			Budget Adjustment: N/A	
			For Fiscal Year: 23/24	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The State Legislature enacted the Mello-Roos Act of 1982, to assist public agencies in financing certain capital improvements, public services, and maintenance activities. On January 27, 2015, the Board of Supervisors revised Board Policy B-12 entitled "Land Secured Financing Districts" to include "Service and Maintenance CFDs" to fund the ongoing maintenance of landscape, storm water Best Management Practices (BMP), street lighting, or other similar improvements and set goals and policies concerning Community Facilities Districts (CFDs).

R-Hearthstone Lot Option Pool 03, L.P. is the Owner of Tract 38025-1 and has petitioned the Riverside County Office of Economic Development to assist them in forming a CFD to cover the costs associated with the maintenance of public improvements within the district. The boundaries of CFD No. 23-1M (Highgrove Town Center) will encompass the entire Tract Map No. 38025-1, which is projected to include 266 condominiums.

As approved by voters, a special tax is to be levied on each individual parcel located within the boundary of the CFD to fund the costs associated with (i) Street lighting maintenance, which includes energy charges, operation, maintenance, and administration of street lighting located within the designated boundaries of the CFD (ii) Traffic signal maintenance including energy charges, operation, maintenance, and administrative costs of traffic signal within the boundaries of the CFD (iii) Administration, inspection, and maintenance of all stormwater facilities and BMPs to include: water quality basins, fossil filters, basin forebays, and all other NPDES/WQMP/BMP related devices and structures as approved and accepted by the Community Facilities District; administration includes, but is not limited to, quality control and assurance of inspections and maintenance, general contract management, scheduling of inspections and maintenance, and general oversight of all NPDES/WQMP/BMP operations; inspection includes, but is not limited to, travel time, visual inspection process and procedures for functionality, GPS location recording, assurance of proper vegetation, functioning irrigation, and citing operational or structural deficiencies, erosion, trash, silt and sediment build-up; and maintenance includes, but is not limited to, repair or replacement of any deficiencies noted during inspection, weed control and abatement, trash removal, and healthy upkeep of required plant materials (iv) Park maintenance (v) Graffiti Abatement of walls and other permanent structures and (vi) Enhanced sheriff services to include, but not be limited to, specialized and

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targeted enforcement within the boundaries of CFD 23-1M, which is in addition to those provided in the territory of the district before the district was created.

The special tax is levied according to a Rate and Method of Apportionment (RMA) which is developed with respect to the specific features of the residential development within the District and which is approved by the eligible voters and later adopted by ordinance. The special tax levy is annually placed on the tax roll for each Assessor Parcel Number noted in the CFD Boundary Map.

On March 28, 2023 (Agenda Item 3.21), the County of Riverside Board of Supervisors approved Resolution No. 2023-035, a Resolution of Intention as the initial step for forming the CFD and declared the intention of the Board of Supervisors as required by the Mello-Roos Act of 1982 to levy a special tax to fund the service and maintenance functions requested by the owner.

On May 2, 2023 (Agenda Item 19.1), the County of Riverside Board of Supervisors held a public hearing to receive public comments and conduct a majority protest hearing concerning the establishment of the CFD and the levy of the special tax. At the conclusion of the public hearing, the Board of Supervisors adopted Resolution No. 2023-115, the Resolution of Formation of the CFD, which also authorized the levy of a special tax within the CFD subject to voter approval during a duly called election held that same day.

On May 9, 2023 (Agenda Item 3.19), the Board of Supervisors adopted Resolution No. 2023-116 declaring the results of the election regarding the proposed special tax and finding that 100% of the votes cast were in favor of the levy of the special tax. In addition, the Board introduced Riverside County Ordinance No. 978 authorizing the levy of the special tax pursuant to the Rate and Method of Apportionment approved by the voters. By today's action, the Board will formally adopt the special tax ordinance and levy the special tax.

Ordinance No. 978 was reviewed and determined to be not a project under CEQA pursuant to State CEQA Guidelines Section 15378, which states "The creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment." The adoption of the ordinance is limited to the creation of a special tax ordinance to provide an alternative mechanism for financing maintenance activities involving the operation, maintenance, repair, and minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features. Those existing public or private structures, facilities, mechanical equipment, or topographical features were already separately analyzed under prior CEQA documents as part of Tract 38025-1. As a result, the adoption of the ordinance would not result in significant physical impact on the environment since it would not include any changes to the existing land use, or a physical degradation of the property and any such impacts would have already been previously analyzed under CEQA as part of Tract 38025-1.

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
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Ordinance No. 978 is also exempt from CEQA pursuant to State CEQA Guidelines section 15061(b)(3) (common sense exemption), which provides, "The activity is covered by the common-sense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA". The adoption of the ordinance is limited to the creation of a special tax ordinance to provide an alternative mechanism for financing maintenance activities involving the operation, maintenance, repair, and minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, which were already separately analyzed previously under CEQA as part of Tract 38025-1. As a result, there is no possibility the adoption of the ordinance would not result in any reasonably foreseeable environmental effects and any such impacts would have been previously analyzed under prior CEQA documents as part of Tract 38025-1.

County Counsel has approved the ordinance as to form.

Impact on Residents and Businesses

The voters within the CFD have voted to authorize the special tax levied by Riverside County Ordinance No. 978 on real property within the CFD to provide funds for authorized maintenance and service activities. The property owners within the CFD will be favorably impacted by the levy of the special tax and the associated maintenance and services that it funds.


ATTACHMENTS:

- Ordinance No. 978
- CEQA Notice of Exemption
- Summary of Ordinance
- CFD 23-1M Recorded Boundary Map


Scott Bruckner 5/16/2023


Aaron Gettis, Deputy County Counsel 5/10/2023

County of Riverside
Office of Economic Development
3403 10th Street, Riverside, CA

1FOR COUNTY CLERK USE ONLY		
F I L E D / P O S T E D		
County of Riverside Peter Aldana Assessor-County Clerk-Recorder		
E-202300562 05/24/2023 03:39 PM Fee: \$ 50.00 Page 1 of 3		
Removed:	By:	Deputy
		

NOTICE OF EXEMPTION

January 27, 2023

Project Name: Office of Economic Development, Community Facilities District (CFD) No. 22-6M (Summit Canyon) of the County of Riverside; Adoption of Ordinance No. 976, an Ordinance of the County of Riverside Authorizing the Levy of a Special Tax Within the Summit Canyon CFD

Project Number: ED99122031

Project Location: Community Facilities District No. 22-6M (Summit Canyon) of the County of Riverside

Description of Project: On January 27, 2015, the Board of Supervisors revised Board Policy B-12 entitled "Land Secured Financing Districts" to include "Service and Maintenance CFDs" to fund the ongoing maintenance of landscape, storm water Best Management Practices (BMP), street lighting, or other similar improvements and set goals and policies concerning Community Facilities Districts (CFD). As approved by voters, a special tax is to be levied on each individual parcel located within the boundary of the CFD to fund the costs associated with services for authorized landscaping, lighting, drainage, graffiti abatement, and Sheriff services. The special tax is levied according to a Rate and Method of Apportionment which is developed with respect to the specific features of the particular development within the District and which is approved by the eligible voters and later adopted by ordinance. The special tax levy is annually placed on the tax roll for each Assessor Parcel Number noted in the CFD Boundary Map. Pulte Home Company, LLC, is the Developer of Tract 33410 and has petitioned the Riverside County Office of Economic Development to include their property into proposed Community Facilities District 22-6M (Summit Canyon). The boundaries of CFD No. 22-6M (Summit Canyon) will encompass the entire Tract No. 33410, which includes 138 single family dwelling units. As approved by voters, a special tax is to be levied on each individual parcel located within the boundary of the CFD to fund the costs associated with authorized landscaping, lighting, drainage, graffiti abatement, and Sheriff services (including energy charges, operation, administrative maintenance, and costs within the boundaries of the CFD).

On December 13, 2022, the Board of Supervisors adopted Resolution 2022-222, a resolution of intention, as the initial step for forming the CFD and declaring the Board's intention to levy a special tax to fund the of Intention to establish a CFD for Summit Canyon in order to authorize the levy of special taxes to fund, pay for, and finance authorized maintenance and service activities.

MAY 23 2023 3.37

On January 24, 2023, the Board of Supervisors held a public hearing to receive public comments and conduct a majority protest hearing concerning the establishment of the CFD and the levy of the special tax. At the conclusion of the public hearing, the Board of Supervisors adopted Resolution No. 2023-031, the resolution of formation of the CFD, authorizing the levy of a special tax within the CFD for authorized maintenance of authorized landscaping, lighting, drainage, graffiti abatement, and Sheriff services, calling a Special Election for the District for January 24, 2023 on the propositions to levy a special tax within the District and to establish an appropriations limit for the District. Pursuant to the terms of the Resolution of Formation and the provisions of the Act, the special election was held and each of the propositions was approved by more than two-thirds of the votes cast.

Riverside County Ordinance No. 976, which authorizes the levy of a special tax within the Summit Canyon CFD to fund services for maintenance and service activities, was reviewed and determined to be not a project under the California Environmental Quality Act (CEQA) pursuant to 15378. The Ordinance includes the creation of a funding mechanism to provide maintenance and service activities within the CFD. No additional direct or indirect physical environmental impacts are anticipated from the provision of maintenance services identified in the Riverside County Ordinance No. 976.

Name of Public Agency Approving Project: County of Riverside

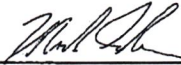
Name of Person or Agency Carrying Out Project: County of Riverside Office of Economic Development

Exempt Status: Not a project as defined in California Environmental Quality Act (CEQA) Section 21065 and State CEQA Guidelines Section 15378; Section 15061(b) (3), General Rule or "Common Sense" Exemption. Codified under Public Resources Code Division 13, Chapter 2.5, Section 21065, and California Code of Regulations Title 14, Articles 5 and 20, Sections 15061 and 15378.

Reasons Why Project is Exempt: The direct effects of the adoption of the Ordinance to levy a special tax within Summit Canyon CFD would not constitute a project as defined by CEQA Section 21065 and State CEQA Guidelines Section 15378. Section 15378 (b) provides a list of five activities that are not considered a project under CEQA. The proposed Ordinance would qualify under two conditions identified in Section 15378 (b): (4) the creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant impact on the environment and (5) organizational or administrative activity of the government that will not result in direct or indirect physical changes to the environment. The adoption of the Ordinance by the Board satisfies these conditions as the Ordinance would provide a funding mechanism to provide ongoing maintenance of existing buildings that would not result in direct or indirect physical changes to the environment. Based on the above conditions, the adoption of the Ordinance is not a project as defined by CEQA Section 21065 and State CEQA Guidelines Section 15378. The adoption of the ordinance is limited to the creation of a special tax ordinance to provide an alternative mechanism for financing maintenance activities involving the operation, maintenance, repair, and minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features. Those public or private structures, facilities, mechanical equipment, or topographical features were already separately analyzed under prior CEQA documents and approved as part of Tract 33410. As a result, the adoption of the ordinance would not result in significant physical impact on the environment since it would not include any changes to the existing land use or a physical degradation of the property and any such impacts would have already been previously analyzed under CEQA as part of Tract 33410.

- **Section 15061 (b) (3) – “Common Sense” Exemption:** In accordance with CEQA, the use of the Common Sense Exemption is based on the “general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment.” State CEQA Guidelines, Section 15061(b) (3). The use of this exemption is appropriate if “it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.” *Ibid.* This determination is an issue of fact and if sufficient evidence exists in the record that the activity cannot have a significant effect on the environment, then the exemption applies and no further evaluation under CEQA is required. See *No Oil, Inc. v. City of Los Angeles* (1974) 13 Cal. 3d 68. The ruling in this case stated that if a project falls within a category exempt by administrative regulation or 'it can be seen with certainty that the activity in question will not have a significant effect on the environment', no further agency evaluation is required. With certainty, there is no possibility that the project may have a significant effect on the environment. The adoption of the ordinance is limited to the creation of a special tax ordinance to provide an alternative mechanism for financing maintenance activities involving the operation, maintenance, repair, and minor alteration of public or private structures, facilities, mechanical equipment, or topographical features, which were already separately analyzed previously under CEQA as part of Tract 33410. As a result, there is no possibility the adoption of the ordinance would not result in any reasonably foreseeable environmental effects and any such impacts would have been previously analyzed under prior CEQA documents approved as part of Tract 33410. Therefore, in no way, would the project as proposed have the potential to cause a significant environmental impact and the project is exempt from further CEQA analysis.

Therefore, the County of Riverside hereby concludes that no physical environmental impacts are anticipated to occur and the project as proposed is exempt under CEQA. No further environmental analysis is warranted.

Signed:  Date: 1-27-2023
Mike Sullivan, Senior Environmental Planner
Senior Environmental Planner, County of Riverside

1 tax within the District to fund the Services, subject to voter approval, establishing an annual
2 appropriations limit of \$4,000,000 for the District, subject to voter approval, and calling a special election
3 for the District for May 2, 2023 on the propositions to levy a special tax within the District and to
4 establish an appropriations limit for the District.

5 d. Pursuant to the terms of the Resolution of Formation and the provisions of the Act,
6 said special election was held on May 2, 2023. Each of the propositions was approved by more than two-
7 thirds of the votes cast at said special election.

8 e. Pursuant to the Act, the Board of Supervisors is the *ex officio* legislative body (the
9 “Legislative Body”) of the District.

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

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

16 Section 4. LEVY OF SPECIAL TAXES.

17 a. By the passage of this Ordinance, the Board of Supervisors hereby authorizes and
18 levies special taxes within the District pursuant to Sections 53328 and 53340 of the Government Code, at
19 the rate and in accordance with the method of apportionment (the “Rate and Method”) set forth in the
20 Resolution of Formation and attached as Exhibit A hereto and made a part hereof. The special taxes are
21 hereby levied commencing in the fiscal year 2022-2023 and in each fiscal year thereafter for the period
22 necessary to satisfy the Special Tax Requirement (as defined in the Rate and Method) and until action is
23 taken by the Board of Supervisors, acting as the Legislative Body of the District, to dissolve the District.

24 b. The Board of Supervisors, acting as the Legislative Body of the District, is hereby
25 authorized and directed each fiscal year to determine, or cause to be determined, the specific special tax
26 rate and amount to be levied for the next ensuing fiscal year for each parcel of real property within the
27 District, in the manner and as provided in the Rate and Method.
28

1 c. All of the collections of the special tax shall be used as provided for in the Act, the
2 Rate and Method and the Resolution of Formation, including, but not limited to, to fund, pay for, and
3 finance authorized administration, inspection, and maintenance of lighting, traffic signal maintenance,
4 drainage, park maintenance, graffiti abatement, and enhanced Sheriff services, and to pay expenses
5 incidental thereto, so long as the special taxes are needed to fund such services; to replenish the reserve
6 fund for the District; to pay the costs of administering the District, and to pay the costs of collecting and
7 administering the special tax.

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

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


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

27 Section 6. SEVERABILITY. If for any reason any portion of this ordinance is found to be
28 invalid, or if the special tax is found inapplicable to any particular parcel within the District, by a

1 court of competent jurisdiction, the balance of this ordinance and the application of the special tax to the
2 remaining parcels within the District shall not be affected.

3 Section 7. EFFECTIVE DATE. This ordinance relating to the levy and collection of special
4 taxes in the District shall take effect immediately upon its passage in accordance with the provisions of
5 Section 25123(c) of the Government Code. The Chair of the Board of Supervisors shall sign this
6 ordinance, and the Clerk of the Board of Supervisors shall attest to the Chair's signature and then cause a
7 summary of the same to be published within 15 days after its passage at least once in *The Press-*
8 *Enterprise*, a newspaper of general circulation published and circulated in the area of the District.

10 BOARD OF SUPERVISORS OF THE COUNTY
11 OF RIVERSIDE, STATE OF CALIFORNIA

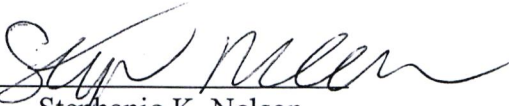
12 By: 
13 Chair of the Board of Supervisors
14 **KEVIN JEFFRIES**

13 ATTEST:
14 CLERK OF THE BOARD:

15 By: 
16 Deputy

17 (SEAL)

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19
20 APPROVED AS TO FORM

21
22 By: 
23 Stephanie K. Nelson
24 Deputy County Counsel

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STATE OF CALIFORNIA)
)
COUNTY OF RIVERSIDE) ss

I HEREBY CERTIFY that at a regular meeting of the Board of Supervisors of said county held on May 23, 2023, the foregoing ordinance consisting of 7 Sections was adopted by the following vote:

AYES: Jeffries, Washington, Spiegel, Perez, and Gutierrez
NAYS: None
ABSENT: None

DATE: May 23, 2023

KIMBERLY A. RECTOR
Clerk of the Board
BY: 
Deputy

SEAL

SUMMARY OF ORDINANCE NO. 978
AN ORDINANCE OF THE COUNTY OF RIVERSIDE
AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN COMMUNITY FACILITIES
DISTRICT NO. 23-1M (HIGHGROVE TOWN CENTER) OF THE COUNTY OF RIVERSIDE

This summary is presented pursuant to California Government Code Section 25124(b). A certified copy of the full text of Ordinance No. 978 may be examined at the Office of the Clerk of the Board of Supervisors of the County of Riverside, located at 4080 Lemon Street 1st Floor, Riverside, California 92501.

Pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Section 53311 of the California Government Code (the "Government Code"), March 28, 2023 the Board of Supervisors (the "Board of Supervisors") of the County of Riverside adopted Resolution No. 2023-035, stating its intention to establish a community facilities district proposed to be named Community Facilities District No. 23-1M (Highgrove Town Center) of the County of Riverside (the "District"), and to authorize the levy of special taxes to fund, pay for, and finance authorized maintenance of Lighting, Traffic Signal Maintenance, Drainage, Park Maintenance, Graffiti Abatement and Enhanced Sheriff Services (the "Services") and to pay expenses incidental thereto and incidental to the levy and collection of the special taxes, so long as the special taxes are needed to fund the Services.

Ordinance No. 978 authorizes the levy of special taxes within the District at the rate and in accordance with the method of apportionment approved by the voters at an election held on May 2, 2023 regarding the proposed levy of special taxes. Ordinance No 978 provides that the Board of Supervisors, as the legislative body of the District, is authorized and directed each fiscal year to determine or cause to be determined the specific special tax rate and amount to be levied for the next ensuing fiscal year for each parcel of real property within the District. The special tax revenues shall be used to fund, pay for, and finance the Services and shall be levied so long as special taxes are needed to fund such Services. In addition, the special tax revenue may be used to replenish a reserve fund for the District, to pay the costs of administering the District, and fund the cost of collecting and administering the special tax. Ordinance No. 978 provides that the special taxes may be collected on the secured property tax roll in the same manner as ordinary *ad valorem* taxes and that the special taxes shall have the same lien priority, and be subject to the same penalties and the same procedure and sale in cases of delinquency as provided for *ad valorem* taxes. The rate and method of apportionment of the special tax authorized by Ordinance No. 978 is the rate and method approved by voters within the District and as further reflected in Exhibit A "Rate and Method" to Ordinance No. 978. A complete copy of Exhibit A "Rate and Method" is on file with the Clerk of the Board of Supervisors and is available for public inspection and copying in that office in accordance with the California Public Records Act, Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code. Ordinance No. 978 takes effect immediately upon its adoption in accordance with section 25123(c) of the Government Code.

COPY

90/95

SHEET 1 OF 1 SHEET

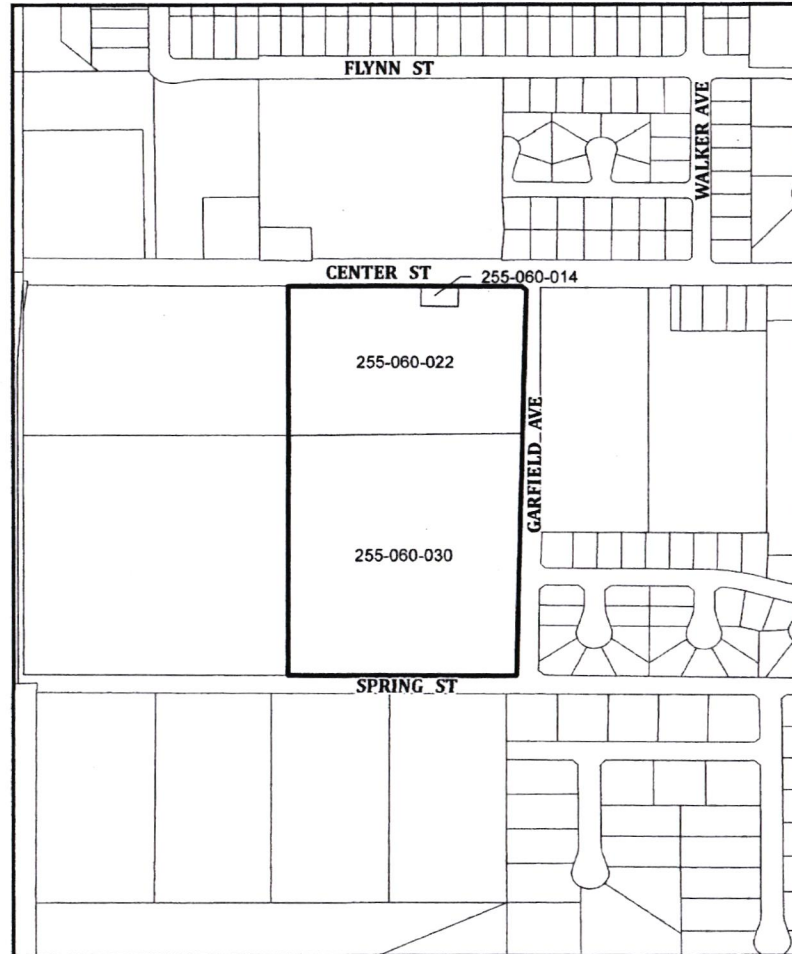
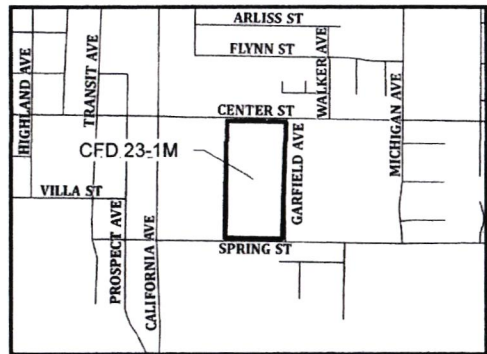
PROPOSED BOUNDARY MAP
COMMUNITY FACILITIES DISTRICT NO. 23-1M
(HIGHGROVE TOWN CENTER)
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 23-1M (HIGHGROVE TOWN CENTER), COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, WAS APPROVED BY THE BOARD OF SUPERVISORS AT A REGULAR MEETING THEREOF, HELD ON 28th DAY OF March, 2023, BY RESOLUTION NO. 2023-035

[Signature]
 CLERK OF THE BOARD OF SUPERVISORS
 COUNTY OF RIVERSIDE

FILED IN THE OFFICE OF THE CLERK OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA. THIS 28th DAY OF March, 2023.

[Signature]
 CLERK OF THE BOARD OF SUPERVISORS
 COUNTY OF RIVERSIDE

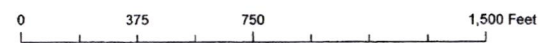


FILED THIS 5th DAY OF April, 2023 AT THE HOUR OF 11:08 O'CLOCK A.M. IN BOOK 90 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE 95, IN THE OFFICE OF THE COUNTY RECORDER, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

FEE: \$9.00 NO.: 2023-0096959
 PETER ALDANA, ASSESSOR, COUNTY CLERK, RECORDER
 BY: [Signature]
 DEPUTY



THIS BOUNDARY MAP CORRECTLY SHOWS THE BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT. FOR DETAILS CONCERNING THE LINES AND DIMENSIONS OF LOTS OR PARCEL REFER TO THE COUNTY ASSESSOR'S MAPS FOR FISCAL YEAR 2022-23.



LEGEND

- CFD BOUNDARY
- PARCEL LINE
- COUNTY BOUNDARY
- ASSESSOR PARCEL NUMBER



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



ITEM: 3.19
(ID # 21710)

MEETING DATE:
Tuesday, May 09, 2023

FROM : OFFICE OF ECONOMIC DEVELOPMENT:

SUBJECT: OFFICE OF ECONOMIC DEVELOPMENT: Receive and File the Statement of the Election Official, Adoption of Resolution No. 2023-116 Declaring the Results of a Consolidated Special Election, Introduction of Ordinance No. 978, an Ordinance of the County of Riverside Authorizing the Levy of a Special Tax within Community Facilities District No. 23-1M (Highgrove Town Center) Tract Map No. 38025-1 of the County of Riverside. District 1. [\$0] (Clerk of the Board to Record Notice of Special Tax)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file the Statement of the Election Official regarding the Canvass of the Election for the Community Facilities District No. 23-1M (Highgrove Town Center) of the County of Riverside; and

Continued on Page 2

ACTION:Policy


Suzanne Holland, Director of Office of Economic Development 4/26/2023

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Spiegel, Washington, Perez, and Gutierrez
Nays: None
Absent: None
Date: May 9, 2023
xc: OED, Recorder, COBBS

Kimberly A. Rector
Clerk of the Board

By: 
Deputy

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

RECOMMENDED MOTION: That the Board of Supervisors:

2. Adopt Resolution No. 2023-116, a Resolution of the Board of Supervisors of the County of Riverside Declaring the Results of Consolidated Special Election within Community Facilities District No. 23-1M (Highgrove Town Center) of the County of Riverside; and
3. Introduce, read title, waive reading of, and adopt on successive weeks proposed Ordinance No. 978, an Ordinance of the County of Riverside Authorizing the Levy of a Special Tax within Community Facilities District No. 23-1M (Highgrove Town Center) of the County of Riverside; and
4. Direct the Clerk of the Board to certify and record the Notice of Special Tax with the County Clerk.

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: N/A	
			For Fiscal Year: N/A	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The State Legislature enacted the Mello-Roos Community Facilities Act of 1982 to assist public agencies in financing certain public services and maintenance requirements. On January 27, 2015, the Board of Supervisors revised Board Policy B-12 entitled "Land Secured Financing Districts" to include "Service and Maintenance CFDs" to fund the ongoing maintenance of landscape, storm water Best Management Practices (BMP), street lighting, or other similar improvements and set goals and policies concerning Community Facilities Districts (CFD).

R-Hearthstone Lot Option Pool 03, L.P. is the Owner of Tract 38025-1 and has petitioned that the County of Riverside Office of Economic Development assist them in forming a district and include their property for the County of Riverside (County) to cover the costs associated with the maintenance of public improvements within the proposed district. The property owner has submitted an application and formation deposit. Subject to voter approval, a special tax is proposed to be levied on each individual parcel located within the boundary of the proposed CFD to fund the costs associated with (i) Street lighting maintenance, which includes energy charges, operation, maintenance, and administration of street lighting located within the designated boundaries of the CFD (ii) Traffic signal maintenance including energy charges, operation, maintenance, and administrative costs of traffic signal within the boundaries of the CFD (iii) Administration, inspection, and maintenance of all stormwater facilities and BMPs to

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include: water quality basins, fossil filters, basin forebays, and all other NPDES/WQMP/BMP related devices and structures as approved and accepted by the Community Facilities District; administration includes, but is not limited to, quality control and assurance of inspections and maintenance, general contract management, scheduling of inspections and maintenance, and general oversight of all NPDES/WQMP/BMP operations; inspection includes, but is not limited to, travel time, visual inspection process and procedures for functionality, GPS location recording, assurance of proper vegetation, functioning irrigation, and citing operational or structural deficiencies, erosion, trash, silt and sediment build-up; and maintenance includes, but is not limited to, repair or replacement of any deficiencies noted during inspection, weed control and abatement, trash removal, and healthy upkeep of required plant materials (iv) Park maintenance (v) Graffiti Abatement of walls and other permanent structures and (vi) Enhanced sheriff services to include, but not be limited to, specialized and targeted enforcement within the boundaries of CFD 23-1M, which is in addition to those provided in the territory of the district before the district was created.

Each new CFD is created for a specific development or developments when similar facilities are requested to be maintained by the County. A special tax is levied according to a Rate and Method of Apportionment (RMA) developed to the specific features within that District, and a special tax levy is annually placed on the tax roll for each Assessor Parcel Number (APN) noted in the CFD Boundary Map.

The property owner (R-Hearthstone Lot Option Pool 03, L.P.) of Tract Map No. 38025-1 has petitioned the County to include their property into proposed Community Facilities District 23-1M (Highgrove Town Center).

The boundaries of CFD No. 23-1M (Highgrove Town Center) will encompass the entire Tract No. 38025-1, which includes 266 condominiums, none of which are currently occupied.

On March 28, 2023 (Agenda Item 3.21), the County Board of Supervisors approved Resolution No. 2023-035, a Resolution of Intention as the initial step for forming the CFD and declaring the intention of the Board of Supervisors as required by the Mello-Roos Act of 1982 to levy a special tax to fund the service and maintenance functions requested by R-Hearthstone Lot Option Pool 03, L.P. The Resolution also requires the Board of Supervisors hold a public hearing and submit the formation of the proposed CFD 23-1M (Highgrove Town Center) to the landowners at a special election to be conducted by mailed ballot if a majority protest does not occur.

On May 2, 2023 (Agenda item 19.1), the County of Riverside Board of Supervisors held a public hearing to receive public comments and conduct a majority protest hearing. At the conclusion of the public hearing, the Board of Supervisors adopted Resolution No. 2023-115, a Resolution of the Board of Supervisors of the County of Riverside of Formation of Community Facilities District No. 23-1M (Highgrove Town Center) of the County of Riverside, Authorizing the Levy of a Special Tax within Said District to Pay for authorized maintenance of lighting, traffic signal maintenance, drainage, park maintenance, graffiti abatement, and enhanced Sheriff services Calling a Special Election to submit to the Respective Qualified Voters the Question of Levying

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Such Special Tax and Establishing an Appropriations Limit for Said District; and Designating the Election Official For Such Matters. Under the same agenda item, the required CFD report, Certificate of Registrar of Voters stating there are fewer than twelve registered voters, and Concurrence of Election Official on Date of Special Election were all received and filed.

The attached Statement of the Election Official regarding the Canvass of the Election declares the election results which were 18 'YES' votes for Proposition A and Proposition B as described in Section 14 of Resolution No. 2023-035 (adopted on 3/28/2023). Adoption of proposed Resolution No. 2023-116, a Resolution of the Board of Supervisors of the County of Riverside, will declare the results of the Consolidated Special Election within the boundary of Community Facilities District 23-1M (Highgrove Town Center). Proposed County Ordinance No. 978 would authorize and levy special taxes within the boundaries of Community Facilities District 23-1M (Highgrove Town Center).

Reference

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

Impact on Residents and Businesses

Only the parcels with Assessor Parcel Numbers within the boundaries of the proposed CFD which are represented by the attached Recorded Boundary Map (inclusive of Tract Map No. 38025-1) are impacted by the special tax. By setting up this mechanism for the maintenance of certain infrastructure required by the development, the County requires that the development pay for its maintenance impact, rather than the obligation falling upon declining public funding sources. By specifically collecting and using the special tax revenue within the boundary of the CFD, there is a financial mechanism in place to ensure the infrastructure is maintained. This CFD does not propose to fund the repayment of any bonds or bond obligations and is solely for the purposes of funding the service and maintenance of Developer installed and County required infrastructure, particularly lighting, traffic signal maintenance, drainage, park maintenance, graffiti abatement, and enhanced Sheriff services. The Developer shall and is obligated to provide disclosure statements to potential buyers which outline the associated tax rate of a new home.

SUPPLEMENTAL:

Additional Fiscal Information

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The budget for fiscal year 2023-2024 as reflected in the Rate and Method of Apportionment will result in \$107,730 which consists of Special Tax A of \$285 per taxable parcel and a Special Tax B of \$120 per taxable parcel (as defined in the Rate and Method of Apportionment attached as Exhibit A to the Ordinance). The Maximum Special tax amount may be adjusted by the minimum of 2% or up to the cumulative percentage increase in the Consumer Price Index for all Urban Consumers (CPI-U) in effect in the previous Fiscal Year, as it stands as of March of each year over the base index of previous fiscal year. There are no General Funds used in this project.

ATTACHMENTS:

- Recorded CFD Boundary Map (reference only)
- Statement of the Election Official regarding the Canvass of the Election for the CFD
- Resolution No. 2023-116
- Proposed Ordinance No. 978
- Rate and Method of Apportionment


Scott Bruenkner 4/28/2023


Aaron Gettis, Deputy County Counsel 4/27/2023