

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



ITEM: 3.18
(ID # 23442)

MEETING DATE:

FROM : OFFICE OF ECONOMIC DEVELOPMENT:

Tuesday, December 05, 2023

SUBJECT: OFFICE OF ECONOMIC DEVELOPMENT: Receive and File the Statement of the Election Official, Adoption of Resolution No. 2023-256 Declaring the Results of a Consolidated Special Election, Introduction of Ordinance No. 988, an Ordinance of the County of Riverside Authorizing the Levy of a Special Tax within Community Facilities District No. 23-8M (Mc Canna Hills) Tract Map No. 33978 of the County of Riverside. District 5. [\$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 Canvas of the Election for the Communities Facilities District; and
2. Adopt Resolution No. 2023-256, a Resolution of the Board of Supervisors of the County of Riverside Declaring the Results of Consolidated Special Elections within Community Facilities District No. 23-8M (McCanna Hills) of the County of Riverside; and
3. Introduce, read title, waive reading of, and adopt on successive weeks proposed Ordinance No. 988, an Ordinance of the County of Riverside Authorizing the Levy of a Special Tax within Community Facilities District No. 23-8M (McCanna Hills) 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.

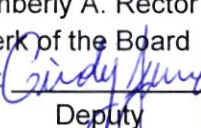
ACTION:Policy


Suzanne Holland, Director of Office of Economic Development 11/9/2023

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Jeffries, Spiegel, Washington and Perez and Gutierrez
Nays: None
Absent: None
Date: December 5, 2023
xc: OED, Recorder, COBcf

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	\$ 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).

KB Home Coastal Inc. is the owner of Tract 33978 and 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) Landscaping improvements that may include but are not limited to all landscaping material and facilities within the CFD. These improvements include turf, ground cover, shrubs, trees, plants, irrigation and drainage system, ornamental lighting, masonry walls or other fencing, park and trail maintenance (ii) Street lighting maintenance, which includes energy charges, operation, maintenance, and administration of street lighting located within the designated boundaries of the CFD (iii) Traffic signal maintenance, which includes energy charges, operation, maintenance, and administrative costs of traffic signal within the boundaries of the CFD (iv) 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 (v) Graffiti abatement of walls and other permanent structures.

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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 (KB Home Coastal Inc.) of Tract Map No. 33978 has petitioned the County to include their property into proposed Community Facilities District 23-8M (McCanna Hills).

The boundaries of CFD No. 23-8M (McCanna Hills) will encompass the entire Tract No. 33978, which includes 139 single family dwelling units, none of which are currently occupied.

On October 3, 2023 (Agenda Item 3.22), the County Board of Supervisors approved Resolution No. 2023-254, 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 KB Home Coastal Inc. The Resolution also requires the Board of Supervisors hold a public hearing and submit the formation of the proposed CFD 23-8M (McCanna Hills) to the landowners at a special election to be conducted by mailed ballot if a majority protest does not occur.

On November 7, 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. 2023-255, a Resolution of the Board of Supervisors of the County of Riverside of Formation of Community Facilities District No. 23-8M (McCanna Hills) of the County of Riverside, Authorizing the Levy of a Special Tax within said district to pay for authorized maintenance of landscaping, lighting, traffic signal, drainage, and graffiti abatement. Calling a special election to submit to the respective qualified voters the question of levying such special tax and establishing an appropriations limit for said district; and designating the Election Official for such matters. Under the same agenda item, the required CFD report, Certificate of Registrar of Voters stating there are fewer than twelve registered voters, and concurrence of Election Official in date of special election were all received and filed.

The attached Statement of the Election Official regarding the canvass of the election declares the election results which were 54 'YES' votes for Proposition A and Proposition B as described in Section 14 of Resolution No. 2023-255 (adopted on 11/7/2023). Adoption of proposed Resolution No. 2023-256, 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 23-8M (McCanna Hills). Proposed County Ordinance No. 988 would authorize and levy special taxes within the boundaries of Community Facilities District 23-8M (McCanna Hills).

Reference

The CFD Rate and Method of Apportionment (RMA) is consistent with the Mello-Roos Act of

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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. 33978) 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 landscaping, lighting, traffic signal, drainage, and graffiti abatement. 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

The budget for fiscal year 2023-2024 as reflected in the Rate and Method of Apportionment will result in \$111,478 which consists of \$802 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. 2023-256
- Proposed Ordinance No. 988
- Rate and Method of Apportionment

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Scott Bruckner 11/27/2023


Aaron Gettis, Deputy County Counsel 11/21/2023

2023-0368899

12/12/2023 01:23 PM Fee: \$ 0.00

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Recorded in Official Records
County of Riverside
Peter Aldana
Assessor-County Clerk-Recorder



RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Spicer Consulting Group
Attn: Shane Spicer
41880 Kalmia St, Suite 145,
Murrieta, CA 92562

#037

NOTICE OF SPECIAL TAX LIEN

**COUNTY OF RIVERSIDE COMMUNITY FACILITIES DISTRICT NO. 23-8M
(MCCANNA HILLS)**

Pursuant to the requirements of Section 3114.5 of the California Streets and Highways Code and the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Section 53311 of the California Government Code (the "Act"), the undersigned Clerk of the Board of Supervisors, County of Riverside, State of California, hereby gives notice (the "Notice") of the foregoing and that a lien to secure payment of a special tax is hereby imposed by the Board of Supervisors of the County of Riverside, State of California. The special tax secured by this lien is authorized to be levied for the purpose of providing the services, including incidental expenses, described in Exhibit A attached hereto and incorporated by this reference herein.

The special tax is authorized to be levied within the County of Riverside Community Facilities District No. 23-8M (McCanna Hills) (the "District"), which has now been officially formed and the lien of special tax is a continuing lien which shall secure each annual levy of the special tax and which shall continue in force and effect until the special tax ceases to be levied and a notice of cessation of special tax is recorded in accordance with the Section 53330.5 of the Act.

The rate, method of apportionment, and manner of collection of the authorized special tax are as set forth in the rate and method of apportionment of the special tax (the "Rate and Method") attached hereto as Exhibit B and by this reference incorporated herein. The Rate and Method does not provide for prepayment of the special tax obligation.

Notice is further given that upon the recording of this Notice in the office of the County Recorder of the County of Riverside, the obligation to pay the special tax levy shall become a lien upon all nonexempt real property within the District, in accordance with Section 3115.5 of the California Streets and Highways Code.

The names of the owners and the assessor's tax parcel numbers of the real property included within the District are as set forth in Exhibit C attached hereto and by this reference made a part hereof.

Reference is made to the boundary map of the District recorded on October 6, 2023 in Book 92 of Maps of Assessment and Community Facilities Districts at Page 11 in the office of the County Recorder for the County of Riverside, State of California, as Document #2023-0296526 which map is the final boundary map of the District.

For further information concerning the current and estimated future tax liability of owners or purchasers of real property subject to this special tax lien, interested persons should contact the Maintenance CFD Administrator at the County of Riverside Office of Economic Development, 3403 10th Street, Suite 400, Riverside, CA 92501, phone 951-955-3212.

Dated: December 5, 2023

By: Kimberly A. Rector, Deputy
Clerk of the Board of Supervisors

KIMBERLY A. RECTOR

PETER ALDANA
COUNTY OF RIVERSIDE
ASSESSOR-COUNTY CLERK-RECORDER

Recorder
P.O. Box 751
Riverside, CA 92502-0751
(951) 486-7000

www.riversideacr.com

CERTIFICATION

Pursuant to the provisions of Government Code 27361.7, I certify under the penalty of perjury that the following is a true copy of illegible wording found in the attached document:

(Print or type the page number(s) and wording below):

CLARIFICATION FOR SEAL for the Riverside County Board of Supervisors
(EMBOSSSED ON DOCUMENT)



Date: 12/5/2023

Signature: *Breanna Smith*

Print Name: Breanna Smith, Clerk of the Board Assistant

EXHIBIT A

DESCRIPTION OF SERVICES

The services (the "Services") described below are proposed to be financed by County of Riverside Community Facilities District No. 23-8M (McCanna Hills) (the "CFD"):

- (i) Landscaping improvements that may include, but are not limited to all landscaping material and facilities within the CFD. These improvements include turf, ground cover, shrubs, trees, plants, irrigation and drainage system, ornamental lighting, masonry walls or other fencing, park and trail maintenance; and
- (ii) Street lighting maintenance, which includes energy charges, operation, maintenance, and administration of street lighting located within the designated boundaries of the CFD; and
- (iii) Traffic signal maintenance including energy charges, operation, maintenance, and administrative costs of traffic signal within the boundaries of the CFD; and
- (iv) 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; and
- (v) Graffiti abatement of walls and other permanent structures.

Incidental Expenses

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

EXHIBIT B
RATE AND METHOD OF APPORTIONMENT

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR
COMMUNITY FACILITIES DISTRICT NO. 23-8M (McCanna Hills)
OF THE COUNTY OF RIVERSIDE
STATE OF CALIFORNIA**

A Special Tax (all capitalized terms are defined in Section A. Definitions, below) shall be applicable to each Parcel of Taxable Property located within the boundaries of Community Facilities District No. 23-8M (McCanna Hills) (the "CFD 23-8M" or "CFD"; defined below). The amount of Special Tax to be levied on a Parcel in each Fiscal Year, (defined below), commencing in Fiscal Year 2023-2024, shall be determined by the Riverside County Board of Supervisors, acting in its capacity as the legislative body of the CFD by applying the appropriate Special Tax as set forth in Sections B., C., and D., below. All property within the CFD, unless exempted by law or by the provisions of Section E., below, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Accessory Dwelling Unit(s)" means a residential unit of limited size, as defined in California Government Code Section 65852.2 that shares an Assessor's Parcel Number with Single Family Residential Property.

"Acre" or "Acreage" means the land area of a Parcel as shown on the most recent Assessor's Parcel Map, or if the land area is not shown on the Assessor's Parcel Map, the land area shown on the applicable Final Map, condominium plan, or other recorded County map. If the preceding maps are not available, the Acreage of an Assessor's Parcel Number may be determined utilizing Geographic Information System. The square footage of a Parcel is equal to the Acreage of such Parcel multiplied by 43,560.

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

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

"Administrator" means an official of the County, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

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

"Assessor" means the Assessor of the County.

“Assessor’s Parcel Map” means an official map of the Assessor of the County designating a Parcel by an Assessor’s Parcel Number.

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

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

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

“Building Permit(s)” means a legal document(s) issued by a local agency that allows for new vertical construction of a building or buildings.

“Certificate of Occupancy” means a certificate of occupancy issued by the County in accordance with all applicable ordinances, regulations, and rule of the County and State law.

“CFD” or **“CFD 23-8M”** means Community Facilities District No. 23-8M (McCanna Hills) of the County of Riverside.

“Consumer Price Index” means the cumulative percentage increase in the Consumer Price Index (CPI) published by the U.S. Bureau of Labor Statistics for All Urban Consumers in the Riverside-San Bernardino-Ontario Area, as it stands in March of each year over the preceding Fiscal Year. In the event this index ceases to be published, the Consumer Price Index shall be another index as determined by the Administrator that is reasonably comparable to the Consumer Price Index for the Riverside-San Bernardino-Ontario Area. In the event that the percentage change in the annualized CPI is negative, the Special Tax shall not be decreased.

“County” means the County of Riverside, California.

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

“Development Class” means either Developed Property, Approved Property, Taxable Property Owner’s Association Property, Taxable Public Property, or Undeveloped property.

“Dwelling Unit(s)” or **“(DU)”** means a residential building(s) that is used or intended to be used as a domicile by one or more persons, as determined by the Administrator.

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

“Final Map” means a subdivision of property by recordation of a tract map, parcel map or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq.*) or recordation of a condominium plan pursuant to California Civil Code 4200 that creates individual lots for which Building Permit(s) may be issued without further subdivision.

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

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

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

“Non-Residential Property” means all Parcels of Developed Property for which a Building Permit(s) was issued permitting the construction of one or more non-residential structures.

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

“Property Owner’s Association Property” means all Parcels which have been conveyed, dedicated to, or irrevocably offered for dedication to a home-owner’s association, condominium owner’s association or any master or sub-association, prior to April 1st preceding the Fiscal Year in which the Special Tax is being levied.

“Proportionately” means for each Parcel of Taxable Property that are Developed Property, Approved Property, Taxable Property Owner’s Association Property, Taxable Public Property or Undeveloped Property, that the ratio of the actual Special Tax levy to Maximum Special Tax is the same for all Parcels assigned within each Development Class.

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

“Residential Property” means all Parcels of Developed Property for which a Building Permit(s) has been issued permitting the construction of one or more residential Dwelling Units.

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

“Special Tax(es)” means the amount to be levied in each Fiscal Year on each Parcel of Taxable Property in accordance with Section D., below to fund the Special Tax Requirement.

“Special Tax Requirement(s)” means that amount required in any Fiscal Year to: (i) pay the estimated cost of Special Tax Services such Fiscal Year as determined by the County; (ii) fund the Special Tax Reserve Fund to the extent that the inclusion of such amount does not increase the Special Tax for Undeveloped Property unless requested by the developer or the amount needed to fund the Special Tax Reserve Fund up to the Special Tax Reserve Fund Requirement; (iii) pay Administrative Expenses; (iv) pay any anticipated Special Tax delinquencies based on actual delinquencies from the prior Fiscal Year outstanding at the time

the annual Special Tax levy is determined; and (v) less a credit for funds available to reduce the annual Special Tax levy at the sole discretion of the Administrator.

“Special Tax Reserve Fund Requirement” means an amount up to 150% of the anticipated annual cost of Special Tax Services of \$111,478. The Special Tax Reserve Fund Requirement shall be increased annually, commencing July 1, 2024, by the amount equal to the greater of two percent (2%) or up to the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax in effect in the previous Fiscal Year at the sole discretion of the Administrator.

“Special Tax Services” means services permitted under the Mello-Roos Community Facilities Act of 1982 including, without limitation, those services authorized to be funded by CFD 23-8M as set forth in the documents adopted by the Board at the time the CFD was formed.

“State” means the State of California.

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

“Taxable Property Owner’s Association Property” means all Parcels of Property Owner’s Association Property that satisfies both of the following conditions: (i) based on reference to the maps used during the formation of the district, the Parcel was not anticipated to be Property Owner’s Association Property, as determined by the Administrator, and (ii) if the Parcel were to be exempt from the Special Tax because it is Property Owner’s Association Property, the County has determined that there would be a reduction in Special Tax revenues that would create a deficit in funding the Special Tax Requirement.

“Taxable Public Property” means all Parcels of Public Property that satisfies both of the following conditions: (i) based on reference to the maps used during the formation of the district, the Parcel was not anticipated to be Public Property, as determined by the Administrator, and (ii) if the Parcel were to be exempt from the Special Tax because it is Public Property, the County has determined that there would be a reduction in Special Tax revenues that would create a deficit in funding the Special Tax Requirement.

“Taxable Unit” means either a Dwelling Unit(s) or an Acre.

“Undeveloped Property” means all Parcels of Taxable Property not classified as Developed Property, Approved Property, Taxable Property Owner’s Association Property or Taxable Public Property.

B. ASSIGNMENT TO DEVELOPMENT CLASS

Each Fiscal Year, commencing with Fiscal Year 2023-2024, all Parcels of Taxable Property shall be classified as either Developed Property, Approved Property, Taxable Property Owner’s Association Property, Taxable Public Property, or Undeveloped Property, and subject to the levy of Special Taxes in accordance with this Rate and Method of Apportionment as determined pursuant to Sections C. and D., below.

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

C. MAXIMUM SPECIAL TAX RATES

1. Developed Property

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

**TABLE 1
MAXIMUM SPECIAL TAX RATES
DEVELOPED PROPERTY
FISCAL YEAR 2023-2024**

Development Class	Taxable Unit	Maximum Special Tax
Single Family Residential Property	DU	\$802
Multi-family Residential Property	Acre	\$4,611
Non-Residential Property	Acre	\$4,611

(a) Increase in the Maximum Special Tax

On each July 1, the Maximum Special Tax identified in Table 1 above, shall be increased annually, commencing July 1, 2024, by the amount equal to the greater of two percent (2%) or up to the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax in effect in the previous Fiscal Year at the sole discretion of the Administrator.

(b) Multiple Development Classes

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

Once a Maximum Special Tax has been assigned to a Parcel of Developed Property, the Maximum Special Tax shall not be reduced in future Fiscal Years regardless of changes in Development Class, Square Footage, or Acreage, unless a reduction in the Maximum Special Tax is approved by the Board for the entire CFD.

(c) Accessory Dwelling Unit(s)

Where an Accessory Dwelling Unit(s) is on the same Assessor Parcel Number as another Taxable Unit, the Accessory Dwelling Unit(s) is not considered a separate Taxable Unit and will not be added to the calculation of the Maximum Special Tax for a Parcel.

2. Approved Property

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

The Maximum Special Tax for Approved Property shall be increased annually, commencing July 1, 2024, by the amount equal to the greater of two percent (2%) or up to the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax in effect in the previous Fiscal Year at the sole discretion of the Administrator.

3. Taxable Property Owner's Association Property and Taxable Public Property

The Maximum Special Tax for each Parcel of Taxable Property Owner's Association Property or Taxable Public Property shall be equal to the product of the applicable Undeveloped Property Maximum Special Tax per Acre times the Acreage of such Parcel.

The Maximum Special Tax for Taxable Property Owner's Association Property and Taxable Public Property shall be increased annually, commencing July 1, 2024, by the amount equal to the greater of two percent (2%) or up to the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax in effect in the previous Fiscal Year at the sole discretion of the Administrator.

4. Undeveloped Property

The Maximum Special Tax that may be levied and escalated for each Parcel classified as Undeveloped Property for each Parcel shall be \$4,611 per Acre.

The Maximum Special Tax for Undeveloped Property shall be increased annually, commencing July 1, 2024, by the amount equal to the greater of two percent (2%) or up to the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax in effect in the previous Fiscal Year at the sole discretion of the Administrator.

5. Public Property and/or Property Owner's Association Property

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

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing with Fiscal Year 2023-2024 and for each following Fiscal Year, the Administrator shall levy the Special Tax on all Taxable Property until the amount of Special Tax equals the Special Tax Requirement in accordance with the following steps:

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

Second: 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 Parcel of Approved Property at up to 100% of the Maximum Special Tax for Approved Property.

Third: If additional moneys are needed to satisfy the Special Tax Requirement after the first two steps have been completed, the Special Tax shall be levied Proportionately on each Parcel of Taxable Property Owner's Associations Property up to 100% of the applicable Maximum Special Tax for Taxable Property Owner's Association.

Fourth: If additional moneys are needed to satisfy the Special Tax requirement after the first three steps have been completed, the Special Tax shall be levied Proportionately on each Parcel of Taxable Public Property at up to 100% of the applicable Maximum Special Tax for Taxable Public Property.

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

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

E. EXEMPTIONS

The CFD shall not levy Special Taxes on Property Owner's Association Property (except Taxable Property Owner's Association Property) or Public Property (except Taxable Public Property) within the CFD.

F. 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 Administrator may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of the CFD, and provided further that the CFD may covenant to foreclose and may actually foreclose on Parcels having delinquent Special Taxes as permitted by the Act.

G. APPEALS

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

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

H. PREPAYMENT OF SPECIAL TAX

The Special Tax may not be prepaid.

I. TERM OF THE SPECIAL TAX

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

EXHIBIT C

**NAMES OF THE OWNERS AND ASSESSOR'S PARCEL NUMBERS
OF THE REAL PROPERTY WITHIN DISTRICT**

Owner: KB Home Coastal Inc.
Assessor Parcel Number
307-410-013

THE PRESS-ENTERPRISE

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pe.com

3512 14 Street
Riverside, California 92501
(951) 368-9229
neller@scng.com

County of Riverside - Clerk of the Board
PO Box 1147
Riverside, California 92502

Account Number: 5209148
Ad Order Number: 0011636495
Customer's Reference/PO Number:
Publication: The Press-Enterprise
Publication Dates: 12/07/2023
Total Amount: \$573.30
Payment Amount: \$0.00
Amount Due: \$573.30
Notice ID: ZdbN1hgFHJTBRpnAgAlu
Invoice Text:

RIVERSIDE COUNTY BOARD OF SUPERVISORS NOTICE IS HEREBY GIVEN that a public hearing at which all interested persons will be heard, will be held before the Board of Supervisors of Riverside County, California, on the 1st Floor Board Chambers, County Administrative Center, 4080 Lemon Street, Riverside, on Tuesday, December 12, 2023 at 9:30 a.m., or as soon as possible thereafter, to consider adoption of the following Ordinance: SUMMARY OF ORDINANCE NO. 988 AN ORDINANCE OF THE COUNTY OF RIVERSIDE AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN COMMUNITY FACILITIES DISTRICT NO. 23-8M (MCCANNA HILLS) 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. 988 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"), October 3, 2023 the Board of Supervisors (the "Board of Supervisors") of the County of Riverside adopted Resolution No. 2023-254, stating its intention to establish a community facilities district proposed to be named Community Facilities District No. 23-8M (McCanna Hills) of the County of Riverside (the "District"), and to authorize the levy of special taxes to fund, pay for, and finance authorized maintenance of landscaping, lighting, traffic signal, drainage, and graffiti abatement (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

12/15/23
OED
3/18

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The Press-Enterprise
3512 14 Street
Riverside, California 92501
(951) 368-9229

County of Riverside - Clerk of the Board
PO Box 1147
Riverside, California 92502

Publication: The Press-Enterprise

PROOF OF PUBLICATION OF

Ad Desc: 0011636495

FILE NO. 0011636495

PROOF OF PUBLICATION

I am a citizen of the United States. I am over the age of eighteen years and not party to or interested in the above-entitled matter. I am an authorized representative of THE PRESS-ENTERPRISE, a newspaper of general circulation, printed and published daily in the County of Riverside, and which newspaper has been adjudicated a newspaper of general circulation by the Superior Court of the County of Riverside, State of California, under date of April 25, 1952, Case Number 54446, under date of March 29, 1957, Case Number 65673, under date of August 25, 1995, Case Number 267864, and under date of September 16, 2013, Case Number RIC 1309013; that the notice, of which the annexed is a printed copy, has been published in said newspaper in accordance with the instructions of the person(s) requesting publication, and not in any supplement thereof on the following dates, to wit:

12/07/2023

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Date: December 7, 2023.

At: Riverside, California



Signature

RIVERSIDE COUNTY BOARD OF SUPERVISORS

NOTICE IS HEREBY GIVEN that a public hearing at which all interested persons will be heard, will be held before the Board of Supervisors of Riverside County, California, on the 1st Floor Board Chambers, County Administrative Center, 4080 Lemon Street, Riverside, on **Tuesday, December 12, 2023 at 9:30 a.m.**, or as soon as possible thereafter, to consider adoption of the following Ordinance:

SUMMARY OF ORDINANCE NO.

988 AN ORDINANCE OF THE COUNTY OF RIVERSIDE AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN COMMUNITY FACILITIES DISTRICT NO. 23-8M (MCCANNA HILLS) 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. 988 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"), October 3, 2023 the Board of Supervisors (the "Board of Supervisors") of the County of Riverside adopted Resolution No. 2023-254, stating its intention to establish a community facilities district proposed to be named Community Facilities District No. 23-8M (McCanna Hills) of the County of Riverside (the "District"), and to authorize the levy of special taxes to fund, pay for, and finance authorized maintenance of landscaping, lighting, traffic signal, drainage, and graffiti abatement (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. 988 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 November 7, 2023 regarding the proposed levy of special taxes. Ordinance No 988 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. 988 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. 988 is the rate and method approved by voters within the District and as further reflected in Exhibit A "Rate and Method" to Ordinance No. 988. 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. 988 takes effect immediately upon its adoption in accordance with section 25123(c) of the Government Code.

Please send all written correspondence to: Clerk of the Board, 4080 Lemon Street, 1st Floor, Post Office Box 1147, Riverside, CA 92502-1147 or email cob@rivco.org.

Alternative formats available upon request to individuals with disabilities. If you require reasonable accommodation, please contact Clerk of the Board at (951) 955-1069.

Dated: November 30, 2023
Kimberly A. Rector,
Clerk of the Board
By: Cindy Fernandez,
Clerk of the Board Assistant
The Press-Enterprise
Published: 12/7/23

1 of a special 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 November 7, 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
6 the Act, said special election was held on November 7, 2023. Each of the propositions was approved by
7 more than two-thirds of the votes cast at said special election.

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

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

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

16 Section 4. LEVY OF SPECIAL TAXES.

17 a. By the passage of this Ordinance, the Board of Supervisors hereby
18 authorizes and levies special taxes within the District pursuant to Sections 53328 and 53340 of the
19 Government Code, at the rate and in accordance with the method of apportionment (the "Rate and
20 Method") set forth in the Resolution of Formation and attached as Exhibit A hereto and made a part
21 hereof. The special taxes are hereby levied commencing in the fiscal year 2023-2024 and in each fiscal
22 year thereafter for the period necessary to satisfy the Special Tax Requirement (as defined in the Rate and
23 Method) and until action is taken by the Board of Supervisors, acting as the Legislative Body of the
24 District, to dissolve the District.

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

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

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

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

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

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

2 RESOLUTION NO. 2023-255

3 A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE OF
 4 FORMATION OF COMMUNITY FACILITIES DISTRICT NO. 23-8M (MCCANNA HILLS) OF THE
 5 COUNTY OF RIVERSIDE, AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN SAID
 6 DISTRICT TO PAY FOR MAINTENANCE OF LANDSCAPING, LIGHTING, TRAFFIC SIGNAL,
 7 DRAINAGE, AND GRAFFITI ABATEMENT; CALLING A SPECIAL ELECTION TO SUBMIT TO
 8 THE RESPECTIVE QUALIFIED VOTERS THE QUESTION OF LEVYING SUCH SPECIAL TAX
 9 AND ESTABLISHING AN APPROPRIATIONS LIMIT FOR SAID DISTRICT; AND DESIGNATING
 10 THE ELECTION OFFICIAL FOR SUCH MATTERS

11
 12 WHEREAS, on October 3, 2023, the Board of Supervisors (the "Board of Supervisors") of the
 13 County of Riverside (the "County"), pursuant to the Mello-Roos Community Facilities Act of 1982 (the
 14 "Act"), commencing with Section 53311 of the California Government Code (the "Government Code"),
 15 adopted Resolution No. 2023-254 (the "Resolution of Intention"), stating its intention to establish a
 16 community facilities district, proposed to be named Community Facilities District No. 23-8M (McCanna
 17 Hills) of the County of Riverside (the "Community Facilities District"), and to authorize the levy of special
 18 taxes to finance certain authorized services and setting November 7, 2023, as the date for a public hearing
 19 to be held on the establishment of the Community Facilities District;

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

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

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

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

FORM APPROVED COUNTY COUNSEL
 BY: *Stephanie K. Nelson* 10/05/23
 DATE
 STEPHANIE K. NELSON

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

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

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

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

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

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

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

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

4 **WHEREAS**, on the basis of all of the foregoing, the Board of Supervisors has determined at this
5 time to proceed with the establishment of the Community Facilities District as provided by said Resolution
6 No. 2023-254 to submit to the qualified electors of the Community Facilities District propositions to
7 authorize the levy of a special tax pursuant to the Rate and Method of Apportionment of Special Tax
8 described in Exhibit B to Resolution No. 2023-254 and the Community Facilities District Report;

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

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

15 **NOW, THEREFORE, BE IT RESOLVED, FOUND, DETERMINED, AND ORDERED** by
16 the Board of Supervisors of the County of Riverside, State of California, in regular session assembled on
17 November 7, 2023, as follows:

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

19 **Section 2.** The Board of Supervisors hereby approves and adopts and confirms said Resolution
20 No. 2023-254, notice of which was published and mailed prior to the public hearing as required by law,
21 and, except as otherwise provided herein, reconfirms all of its findings and determinations contained in said
22 Resolution No. 2023-254.

23 **Section 3.** The Board of Supervisors hereby approves and adopts the Rate and Method of
24 Apportionment of Special Tax for the Community Facilities District and the manner of collection of the
25 special tax as set forth in Exhibit B to this resolution. To the extent required by Section 53325.1(a) of the
26 Government Code, all of the information contained in Resolution No. 2023-254 is incorporated herein and
27 made a part hereof.

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

1 **Section 5.** The Community Facilities District is hereby named "Community Facilities District
2 No. 23-8M (McCanna Hills) of the County of Riverside."

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

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

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

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

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

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

1 **Section 11.** The boundary map of the Community Facilities District was recorded on October 6,
2 2023, in Riverside County in Book 92 at Page 11 of the Book of Maps of Assessment and Community
3 Facilities Districts in the Riverside County Recorder's Office, as Instrument No. 2023-0296526. The Board
4 of Supervisors hereby approves and ratifies said map and the boundaries of the Community Facilities
5 District which are incorporated herein and made a part hereof.

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

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

21 **Section 14.** The Board of Supervisors hereby calls and schedules a special election for November
22 7, 2023, at 9:30 a.m. within and for the Community Facilities District on (i) the proposition with respect to
23 the annual levy of special taxes within the Community Facilities District for the provision of authorized
24 services to the Community Facilities District and (ii) the proposition with respect to establishing an
25 appropriations limit for the Community Facilities District.

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

1 Proposition A: Shall special taxes be levied annually on taxable property within Community
2 Facilities District No. 23-8M (McCanna Hills) of the County of Riverside to fund, pay for, and
3 finance authorized maintenance of Landscaping, Lighting, Traffic Signal, Drainage, and Graffiti
4 Abatement (as specified and reflected in the Resolution of Intention, the Resolution of Formation,
5 and the Rate and Method of Apportionment of Special Tax) and to pay expenses incidental thereto
6 and incidental to the levy and collection of the special taxes, so long as the special taxes are needed
7 to fund such services, at the special tax rates and pursuant to the method of apportioning the special
8 taxes set forth in Exhibit B to Resolution No. 2023-254 adopted by the Board of Supervisors of said
9 County on October 3, 2023.

10
11 Proposition B: Shall an appropriations limit, as defined by subdivision (h) of Section 8 of Article
12 XIII B of the California Constitution, be established for Community Facilities District No. 23-8M
13 (McCanna Hills) of the County of Riverside in the amount of \$4,000,000?

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

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

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

28 (b) Pursuant to applicable sections of the California Elections Code governing the conduct of

1 mail ballot elections of counties, and in particular Division 4 (commencing with Section 4000) of that Code
2 with respect to elections conducted by mail, the Election Official shall mail or deliver to each qualified
3 elector an official ballot and shall also mail or deliver to all such qualified electors a ballot pamphlet and
4 instructions to voter, including a sample ballot identical in form to the official ballot but identified as a
5 sample ballot, a return identification envelope with prepaid postage thereon addressed to the Election
6 Official for the returning of voted official ballots, and a copy of Resolution No. 2023-254.

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

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

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

1 all other information to be inserted thereon properly inserted by 9:00 a.m. on the date of the Special Election;
2 provided that the election shall be closed before such hour if the Election Official determines that all of the
3 qualified voters have voted.

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

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

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

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

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

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

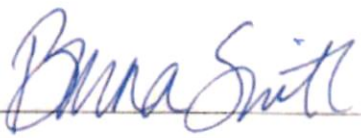
1 **ADOPTED, SIGNED AND APPROVED** this 7th day of November 2023, by the Board of Supervisors of
2 the County of Riverside.

3
4 

5 _____
6 Chair of the Board of Supervisors
7 Kevin Jeffries

8 ATTEST:

9 Kimberley A. Rector
10 Clerk to the Board of Supervisors

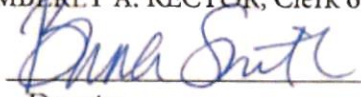
11
12 By: 
13 _____
14 Deputy

15 ROLL CALL:

16 Ayes: Jeffries, Washington, Spiegel, and Perez
17 Nays: None
18 Absent: Gutierrez

19 The foregoing is certified to be a true copy of a resolution duly adopted by said Board of Supervisors on
20 the date therein set forth.

21 KIMBERLY A. RECTOR, Clerk of said Board

22 By: 
23 _____
24 Deputy

25 11.07.2023 19.1
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EXHIBIT A

SERVICES AND INCIDENTAL EXPENSES

Services

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

- (i) Landscaping improvements that may include, but are not limited to all landscaping material and facilities within the CFD. These improvements include turf, ground cover, shrubs, trees, plants, irrigation and drainage system, ornamental lighting, masonry walls or other fencing, park and trail maintenance; and
- (ii) Street lighting maintenance, which includes energy charges, operation, maintenance, and administration of street lighting located within the designated boundaries of the CFD; and
- (iii) Traffic signal maintenance including energy charges, operation, maintenance, and administrative costs of traffic signal within the boundaries of the CFD; and
- (iv) 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.
- (v) Graffiti abatement of walls and other permanent structures.

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Incidental Expenses

The incidental expenses proposed to be incurred include the following:

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

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EXHIBIT B

PROPOSED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

[See Attached.]

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR
COMMUNITY FACILITIES DISTRICT NO. 23-8M (McCanna Hills)
OF THE COUNTY OF RIVERSIDE
STATE OF CALIFORNIA**

A Special Tax (all capitalized terms are defined in Section A. Definitions, below) shall be applicable to each Parcel of Taxable Property located within the boundaries of Community Facilities District No. 23-8M (McCanna Hills) (the "CFD 23-8M" or "CFD"; defined below). The amount of Special Tax to be levied on a Parcel in each Fiscal Year, (defined below), commencing in Fiscal Year 2023-2024, shall be determined by the Riverside County Board of Supervisors, acting in its capacity as the legislative body of the CFD by applying the appropriate Special Tax as set forth in Sections B., C., and D., below. All property within the CFD, unless exempted by law or by the provisions of Section E., below, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Accessory Dwelling Unit(s)" means a residential unit of limited size, as defined in California Government Code Section 65852.2 that shares an Assessor's Parcel Number with Single Family Residential Property.

"Acre" or "Acreage" means the land area of a Parcel as shown on the most recent Assessor's Parcel Map, or if the land area is not shown on the Assessor's Parcel Map, the land area shown on the applicable Final Map, condominium plan, or other recorded County map. If the preceding maps are not available, the Acreage of an Assessor's Parcel Number may be determined utilizing Geographic Information System. The square footage of a Parcel is equal to the Acreage of such Parcel multiplied by 43,560.

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

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

"Administrator" means an official of the County, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

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

"Assessor" means the Assessor of the County.

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

"Assessor's Parcel Number" means the number assigned to a lot or Parcel for purposes of identification as determined from an Assessor Parcel Map.

"Board" means Riverside County Board of Supervisors, acting in its capacity as the legislative body of the CFD.

"Boundary Map" means a recorded map of the CFD which indicates by a boundary line the extent of the territory within the CFD identified to be subject to the levy of Special Taxes.

"Building Permit(s)" means a legal document(s) issued by a local agency that allows for new vertical construction of a building or buildings.

"Certificate of Occupancy" means a certificate of occupancy issued by the County in accordance with all applicable ordinances, regulations, and rule of the County and State law.

"CFD" or "CFD 23-8M" means Community Facilities District No. 23-8M (McCanna Hills) of the County of Riverside.

"Consumer Price Index" means the cumulative percentage increase in the Consumer Price Index (CPI) published by the U.S. Bureau of Labor Statistics for All Urban Consumers in the Riverside-San Bernardino-Ontario Area, as it stands in March of each year over the preceding Fiscal Year. In the event this index ceases to be published, the Consumer Price Index shall be another index as determined by the Administrator that is reasonably comparable to the Consumer Price Index for the Riverside-San Bernardino-Ontario Area. In the event that the percentage change in the annualized CPI is negative, the Special Tax shall not be decreased.

"County" means the County of Riverside, California.

"Developed Property" means for each Fiscal Year, all Parcels of Taxable Property: (i) that are included in a Final Map that was recorded prior to January 1st preceding the Fiscal Year in which the Special Tax is being levied, and (ii) for which a Building Permit(s) for vertical construction has been issued prior to April 1st preceding the Fiscal Year in which the Special Tax is being levied.

"Development Class" means either Developed Property, Approved Property, Taxable Property Owner's Association Property, Taxable Public Property, or Undeveloped property.

"Dwelling Unit(s)" or "(DU)" means a residential building(s) that is used or intended to be used as a domicile by one or more persons, as determined by the Administrator.

"Exempt Property" means any Parcel which is exempt from Special Taxes pursuant to Section E., below.

"Final Map" means a subdivision of property by recordation of a tract map, parcel map or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq.*) or recordation of a condominium plan pursuant to California Civil Code 4200 that creates individual lots for which Building Permit(s) may be issued without further subdivision.

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

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

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

"Non-Residential Property" means all Parcels of Developed Property for which a Building Permit(s) was issued permitting the construction of one or more non-residential structures.

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

"Property Owner's Association Property" means all Parcels which have been conveyed, dedicated to, or irrevocably offered for dedication to a home-owner's association, condominium owner's association or any master or sub-association, prior to April 1st preceding the Fiscal Year in which the Special Tax is being levied.

"Proportionately" means for each Parcel of Taxable Property that are Developed Property, Approved Property, Taxable Property Owner's Association Property, Taxable Public Property or Undeveloped Property, that the ratio of the actual Special Tax levy to Maximum Special Tax is the same for all Parcels assigned within each Development Class.

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

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

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

"Special Tax(es)" means the amount to be levied in each Fiscal Year on each Parcel of Taxable Property in accordance with Section D., below to fund the Special Tax Requirement.

"Special Tax Requirement(s)" means that amount required in any Fiscal Year to: (i) pay the estimated cost of Special Tax Services such Fiscal Year as determined by the County; (ii) fund the Special Tax Reserve Fund to the extent that the inclusion of such amount does not increase the Special Tax for Undeveloped Property unless requested by the developer or the amount needed to fund the Special Tax Reserve Fund up to the Special Tax Reserve Fund Requirement; (iii) pay Administrative Expenses; (iv) pay any anticipated Special Tax delinquencies based on actual delinquencies from the prior Fiscal Year outstanding at the time

the annual Special Tax levy is determined; and (v) less a credit for funds available to reduce the annual Special Tax levy at the sole discretion of the Administrator.

“Special Tax Reserve Fund Requirement” means an amount up to 150% of the anticipated annual cost of Special Tax Services of \$111,478. The Special Tax Reserve Fund Requirement shall be increased annually, commencing July 1, 2024, by the amount equal to the greater of two percent (2%) or up to the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax in effect in the previous Fiscal Year at the sole discretion of the Administrator.

“Special Tax Services” means services permitted under the Mello-Roos Community Facilities Act of 1982 including, without limitation, those services authorized to be funded by CFD 23-8M as set forth in the documents adopted by the Board at the time the CFD was formed.

“State” means the State of California.

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

“Taxable Property Owner’s Association Property” means all Parcels of Property Owner’s Association Property that satisfies both of the following conditions: (i) based on reference to the maps used during the formation of the district, the Parcel was not anticipated to be Property Owner’s Association Property, as determined by the Administrator, and (ii) if the Parcel were to be exempt from the Special Tax because it is Property Owner’s Association Property, the County has determined that there would be a reduction in Special Tax revenues that would create a deficit in funding the Special Tax Requirement.

“Taxable Public Property” means all Parcels of Public Property that satisfies both of the following conditions: (i) based on reference to the maps used during the formation of the district, the Parcel was not anticipated to be Public Property, as determined by the Administrator, and (ii) if the Parcel were to be exempt from the Special Tax because it is Public Property, the County has determined that there would be a reduction in Special Tax revenues that would create a deficit in funding the Special Tax Requirement.

“Taxable Unit” means either a Dwelling Unit(s) or an Acre.

“Undeveloped Property” means all Parcels of Taxable Property not classified as Developed Property, Approved Property, Taxable Property Owner’s Association Property or Taxable Public Property.

B. ASSIGNMENT TO DEVELOPMENT CLASS

Each Fiscal Year, commencing with Fiscal Year 2023-2024, all Parcels of Taxable Property shall be classified as either Developed Property, Approved Property, Taxable Property Owner’s Association Property, Taxable Public Property, or Undeveloped Property, and subject to the levy of Special Taxes in accordance with this Rate and Method of Apportionment as determined pursuant to Sections C. and D., below.

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

C. MAXIMUM SPECIAL TAX RATES

1. Developed Property

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

**TABLE 1
MAXIMUM SPECIAL TAX RATES
DEVELOPED PROPERTY
FISCAL YEAR 2023-2024**

Development Class	Taxable Unit	Maximum Special Tax
Single Family Residential Property	DU	\$802
Multi-family Residential Property	Acre	\$802
Non-Residential Property	Acre	\$4,611

(a) Increase in the Maximum Special Tax

On each July 1, the Maximum Special Tax identified in Table 1 above, shall be increased annually, commencing July 1, 2024, by the amount equal to the greater of two percent (2%) or up to the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax in effect in the previous Fiscal Year at the sole discretion of the Administrator.

(b) Multiple Development Classes

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

Once a Maximum Special Tax has been assigned to a Parcel of Developed Property, the Maximum Special Tax shall not be reduced in future Fiscal Years regardless of changes in Development Class, Square Footage, or Acreage, unless a reduction in the Maximum Special Tax is approved by the Board for the entire CFD.

(c) Accessory Dwelling Unit(s)

Where an Accessory Dwelling Unit(s) is on the same Assessor Parcel Number as another Taxable Unit, the Accessory Dwelling Unit(s) is not considered a separate Taxable Unit and will not be added to the calculation of the Maximum Special Tax for a Parcel.

2. Approved Property

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

The Maximum Special Tax for Approved Property shall be increased annually, commencing July 1, 2024, by the amount equal to the greater of two percent (2%) or up to the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax in effect in the previous Fiscal Year at the sole discretion of the Administrator.

3. Taxable Property Owner's Association Property and Taxable Public Property

The Maximum Special Tax for each Parcel of Taxable Property Owner's Association Property or Taxable Public Property shall be equal to the product of the applicable Undeveloped Property Maximum Special Tax per Acre times the Acreage of such Parcel.

The Maximum Special Tax for Taxable Property Owner's Association Property and Taxable Public Property shall be increased annually, commencing July 1, 2024, by the amount equal to the greater of two percent (2%) or up to the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax in effect in the previous Fiscal Year at the sole discretion of the Administrator.

4. Undeveloped Property

The Maximum Special Tax that may be levied and escalated for each Parcel classified as Undeveloped Property for each Parcel shall be \$4,611 per Acre.

The Maximum Special Tax for Undeveloped Property shall be increased annually, commencing July 1, 2024, by the amount equal to the greater of two percent (2%) or up to the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax in effect in the previous Fiscal Year at the sole discretion of the Administrator.

5. Public Property and/or Property Owner's Association Property

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

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing with Fiscal Year 2023-2024 and for each following Fiscal Year, the Administrator shall levy the Special Tax on all Taxable Property until the amount of Special Tax equals the Special Tax Requirement in accordance with the following steps:

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

Second: 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 Parcel of Approved Property at up to 100% of the Maximum Special Tax for Approved Property.

Third: If additional moneys are needed to satisfy the Special Tax Requirement after the first two steps have been completed, the Special Tax shall be levied Proportionately on each Parcel of Taxable Property Owner's Associations Property up to 100% of the applicable Maximum Special Tax for Taxable Property Owner's Association.

Fourth: If additional moneys are needed to satisfy the Special Tax requirement after the first three steps have been completed, the Special Tax shall be levied Proportionately on each Parcel of Taxable Public Property at up to 100% of the applicable Maximum Special Tax for Taxable Public Property.

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

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

E. EXEMPTIONS

The CFD shall not levy Special Taxes on Property Owner's Association Property (except Taxable Property Owner's Association Property) or Public Property (except Taxable Public Property) within the CFD.

F. 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 Administrator may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of the CFD, and provided further that the CFD may covenant to foreclose and may actually foreclose on Parcels having delinquent Special Taxes as permitted by the Act.

G. APPEALS

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

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

H. PREPAYMENT OF SPECIAL TAX

The Special Tax may not be prepaid.

I. TERM OF THE SPECIAL TAX

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

STATEMENT FROM THE DIRECTOR OF OFFICE OF ECONOMIC DEVELOPMENT (ACTING AS ELECTION OFFICIAL) TO THE BOARD OF SUPERVISORS AS TO THE CANVASS OF BALLOTS VOTED IN AND THE RESULTS OF THE CONSOLIDATED SPECIAL ELECTIONS FOR COMMUNITY FACILITIES DISTRICT NO. 23-8M (MCCANNA HILLS) OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, HELD ON NOVEMBER 7, 2023.

I, Suzanne Holland, Director of Office of Economic Development of Riverside County, acting as the election official pursuant to Resolution No. 2023-255 adopted by the Board of Supervisors of Riverside County ("Board of Supervisors") on November 7, 2023, make the following statements regarding the consolidated special elections held within and for Community Facilities District No. 23-8M (McCanna Hills) of the County of Riverside, State of California (the "Community Facilities District"), on November 7, 2023, on (i) the proposition with respect to the annual levy of special taxes on taxable property within the Community Facilities District to fund, pay for, and finance authorized maintenance services for Administration, inspection, and maintenance of landscaping, lighting, traffic signal, drainage, graffiti abatement, and to pay expenses incidental thereto and (ii) the proposition with respect to establishing an appropriations limit for the Community Facilities District:

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

(2) The written waiver, among other matters, waived compliance with the provisions of Section 53326 of the Government Code to the effect that a special election with respect to the levy of special taxes within the Community Facilities District must be held at least ninety (90) days, but not more than one hundred eighty (180) days, following the adoption of the resolution of formation establishing the Community Facilities District and consented to the holding of the consolidated special elections on November 7, 2023.

(3) I have received a written certification from the Registrar of Voters of the County of Riverside, stating that there are no registered voters residing within the Community Facilities District. Accordingly, pursuant to Section 53326 of the Government Code, and as determined by the Board of Supervisors in Resolution No. 2023-151, the vote in the consolidated special elections was to be by the landowners of the Community Facilities District, with each landowner having one vote for each acre, or portion thereof, of land that he or she owns within the Community Facilities District.

(4) Pursuant to Resolution No. 2023-255, an Official Ballot together with a Ballot Pamphlet and Instructions to Voter containing Instructions to Landowner Voter, a Sample Ballot, and a copy of Resolution No. 2023-254 adopted by the Board of Supervisors on October 3, 2023 was delivered to the Owners. Also delivered to the Owners was an official identification envelope, with return postage affixed thereto, for returning the voted Official Ballot.

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

<u>Owner</u>	<u>Acreage</u>	<u>Votes</u>
KB Home Coastal, Inc.	53.85	54
Totals	53.85	54

(6) The voted Official Ballot was returned to me by the Owner, sealed in aforementioned identification envelope, prior to 9:00 a.m. on November 7, 2023. Each returned ballot was voted with a cross marked in the box after the word "YES" following each proposition set forth on the ballot and had a signed statement attached that the signer was entitled to vote the ballot on behalf of the Owner named therein, and that it was the intent of that Owner to vote all votes to which it was entitled in the manner marked on the ballot. I have canvassed the ballots returned in the consolidated special elections, being the Official Ballot above referred to, and determined that the results of the elections with respect to each proposition set forth in the Official Ballot are as follows:

Proposition A: 54 YES votes, 0 NO votes

Proposition B: 54 YES votes, 0 NO votes

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

Dated: November 7, 2023



SUZANNE HOLLAND
DIRECTOR
OFFICE OF ECONOMIC DEVELOPMENT
COUNTY OF RIVERSIDE
ELECTION OFFICIAL

1 of a special 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 November 7, 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
6 the Act, said special election was held on November 7, 2023. Each of the propositions was approved by
7 more than two-thirds of the votes cast at said special election.

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

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

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

16 Section 4. LEVY OF SPECIAL TAXES.

17 a. By the passage of this Ordinance, the Board of Supervisors hereby
18 authorizes and levies special taxes within the District pursuant to Sections 53328 and 53340 of the
19 Government Code, at the rate and in accordance with the method of apportionment (the “Rate and
20 Method”) set forth in the Resolution of Formation and attached as Exhibit A hereto and made a part
21 hereof. The special taxes are hereby levied commencing in the fiscal year 2023-2024 and in each fiscal
22 year thereafter for the period necessary to satisfy the Special Tax Requirement (as defined in the Rate and
23 Method) and until action is taken by the Board of Supervisors, acting as the Legislative Body of the
24 District, to dissolve the District.

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

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

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

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

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

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

2 RESOLUTION NO. 2023-255

3 A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE OF
 4 FORMATION OF COMMUNITY FACILITIES DISTRICT NO. 23-8M (MCCANNA HILLS) OF THE
 5 COUNTY OF RIVERSIDE, AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN SAID
 6 DISTRICT TO PAY FOR MAINTENANCE OF LANDSCAPING, LIGHTING, TRAFFIC SIGNAL,
 7 DRAINAGE, AND GRAFFITI ABATEMENT; CALLING A SPECIAL ELECTION TO SUBMIT TO
 8 THE RESPECTIVE QUALIFIED VOTERS THE QUESTION OF LEVYING SUCH SPECIAL TAX
 9 AND ESTABLISHING AN APPROPRIATIONS LIMIT FOR SAID DISTRICT; AND DESIGNATING
 10 THE ELECTION OFFICIAL FOR SUCH MATTERS

11
 12 **WHEREAS**, on October 3, 2023, the Board of Supervisors (the "Board of Supervisors") of the
 13 County of Riverside (the "County"), pursuant to the Mello-Roos Community Facilities Act of 1982 (the
 14 "Act"), commencing with Section 53311 of the California Government Code (the "Government Code"),
 15 adopted Resolution No. 2023-254 (the "Resolution of Intention"), stating its intention to establish a
 16 community facilities district, proposed to be named Community Facilities District No. 23-8M (McCanna
 17 Hills) of the County of Riverside (the "Community Facilities District"), and to authorize the levy of special
 18 taxes to finance certain authorized services and setting November 7, 2023, as the date for a public hearing
 19 to be held on the establishment of the Community Facilities District;

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

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

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

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

FORM APPROVED COUNTY COUNSEL
 BY: *Stephanie K. Nelson* 10/25/23
 DATE
 STEPHANIE K. NELSON

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

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

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

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

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

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

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

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

4 **WHEREAS**, on the basis of all of the foregoing, the Board of Supervisors has determined at this
5 time to proceed with the establishment of the Community Facilities District as provided by said Resolution
6 No. 2023-254 to submit to the qualified electors of the Community Facilities District propositions to
7 authorize the levy of a special tax pursuant to the Rate and Method of Apportionment of Special Tax
8 described in Exhibit B to Resolution No. 2023-254 and the Community Facilities District Report;

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

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

15 **NOW, THEREFORE, BE IT RESOLVED, FOUND, DETERMINED, AND ORDERED** by
16 the Board of Supervisors of the County of Riverside, State of California, in regular session assembled on
17 November 7, 2023, as follows:

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

19 **Section 2.** The Board of Supervisors hereby approves and adopts and confirms said Resolution
20 No. 2023-254, notice of which was published and mailed prior to the public hearing as required by law,
21 and, except as otherwise provided herein, reconfirms all of its findings and determinations contained in said
22 Resolution No. 2023-254.

23 **Section 3.** The Board of Supervisors hereby approves and adopts the Rate and Method of
24 Apportionment of Special Tax for the Community Facilities District and the manner of collection of the
25 special tax as set forth in Exhibit B to this resolution. To the extent required by Section 53325.1(a) of the
26 Government Code, all of the information contained in Resolution No. 2023-254 is incorporated herein and
27 made a part hereof.

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

1 **Section 5.** The Community Facilities District is hereby named “Community Facilities District
2 No. 23-8M (McCanna Hills) of the County of Riverside.”

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

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

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

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

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

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

1 **Section 11.** The boundary map of the Community Facilities District was recorded on October 6,
2 2023, in Riverside County in Book 92 at Page 11 of the Book of Maps of Assessment and Community
3 Facilities Districts in the Riverside County Recorder's Office, as Instrument No. 2023-0296526. The Board
4 of Supervisors hereby approves and ratifies said map and the boundaries of the Community Facilities
5 District which are incorporated herein and made a part hereof.

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

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

21 **Section 14.** The Board of Supervisors hereby calls and schedules a special election for November
22 7, 2023, at 9:30 a.m. within and for the Community Facilities District on (i) the proposition with respect to
23 the annual levy of special taxes within the Community Facilities District for the provision of authorized
24 services to the Community Facilities District and (ii) the proposition with respect to establishing an
25 appropriations limit for the Community Facilities District.

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

1 Proposition A: Shall special taxes be levied annually on taxable property within Community
2 Facilities District No. 23-8M (McCanna Hills) of the County of Riverside to fund, pay for, and
3 finance authorized maintenance of Landscaping, Lighting, Traffic Signal, Drainage, and Graffiti
4 Abatement (as specified and reflected in the Resolution of Intention, the Resolution of Formation,
5 and the Rate and Method of Apportionment of Special Tax) and to pay expenses incidental thereto
6 and incidental to the levy and collection of the special taxes, so long as the special taxes are needed
7 to fund such services, at the special tax rates and pursuant to the method of apportioning the special
8 taxes set forth in Exhibit B to Resolution No. 2023-254 adopted by the Board of Supervisors of said
9 County on October 3, 2023.

10
11 Proposition B: Shall an appropriations limit, as defined by subdivision (h) of Section 8 of Article
12 XIII B of the California Constitution, be established for Community Facilities District No. 23-8M
13 (McCanna Hills) of the County of Riverside in the amount of \$4,000,000?

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

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

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

28 (b) Pursuant to applicable sections of the California Elections Code governing the conduct of

1 mail ballot elections of counties, and in particular Division 4 (commencing with Section 4000) of that Code
2 with respect to elections conducted by mail, the Election Official shall mail or deliver to each qualified
3 elector an official ballot and shall also mail or deliver to all such qualified electors a ballot pamphlet and
4 instructions to voter, including a sample ballot identical in form to the official ballot but identified as a
5 sample ballot, a return identification envelope with prepaid postage thereon addressed to the Election
6 Official for the returning of voted official ballots, and a copy of Resolution No. 2023-254.

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

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

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

1 all other information to be inserted thereon properly inserted by 9:00 a.m. on the date of the Special Election;
2 provided that the election shall be closed before such hour if the Election Official determines that all of the
3 qualified voters have voted.

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

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

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

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

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

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

1 **ADOPTED, SIGNED AND APPROVED** this 7th day of November 2023, by the Board of Supervisors of
2 the County of Riverside.

3
4 

5 _____
6 Chair of the Board of Supervisors
7 Kevin Jeffries

8 ATTEST:

9 Kimberley A. Rector

10 Clerk to the Board of Supervisors

11
12 By:  _____

13 Deputy

14 ROLL CALL:

15 Ayes: Jeffries, Washington, Spiegel, and Perez

16 Nays: None

17 Absent: Gutierrez

18
19 The foregoing is certified to be a true copy of a resolution duly adopted by said Board of Supervisors on
20 the date therein set forth.

21 KIMBERLY A. RECTOR, Clerk of said Board

22 By:  _____

23 Deputy

24 11.07.2023 19.1

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1 **EXHIBIT A**

2 **SERVICES AND INCIDENTAL EXPENSES**

3
4 **Services**

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

- 6 (i) Landscaping improvements that may include, but are not limited to all landscaping material
7 and facilities within the CFD. These improvements include turf, ground cover, shrubs, trees,
8 plants, irrigation and drainage system, ornamental lighting, masonry walls or other fencing,
9 park and trail maintenance; and
- 10 (ii) Street lighting maintenance, which includes energy charges, operation, maintenance, and
11 administration of street lighting located within the designated boundaries of the CFD; and
- 12 (iii) Traffic signal maintenance including energy charges, operation, maintenance, and
13 administrative costs of traffic signal within the boundaries of the CFD; and
- 14 (iv) Administration, inspection, and maintenance of all stormwater facilities and BMPs to
15 include: water quality basins, fossil filters, basin forebays, and all other
16 NPDES/WQMP/BMP related devices and structures as approved and accepted by the
17 Community Facilities District; administration includes, but is not limited to, quality control
18 and assurance of inspections and maintenance, general contract management, scheduling of
19 inspections and maintenance, and general oversight of all NPDES/WQMP/BMP operations;
20 inspection includes, but is not limited to, travel time, visual inspection process and
21 procedures for functionality, GPS location recording, assurance of proper vegetation,
22 functioning irrigation, and citing operational or structural deficiencies, erosion, trash, silt
23 and sediment build-up; and maintenance includes, but is not limited to, repair or replacement
24 of any deficiencies noted during inspection, weed control and abatement, trash removal, and
25 healthy upkeep of required plant materials.
- 26 (v) Graffiti abatement of walls and other permanent structures.
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Incidental Expenses

The incidental expenses proposed to be incurred include the following:

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

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EXHIBIT B
PROPOSED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX
[See Attached.]

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR
COMMUNITY FACILITIES DISTRICT NO. 23-8M (McCanna Hills)
OF THE COUNTY OF RIVERSIDE
STATE OF CALIFORNIA**

A Special Tax (all capitalized terms are defined in Section A. Definitions, below) shall be applicable to each Parcel of Taxable Property located within the boundaries of Community Facilities District No. 23-8M (McCanna Hills) (the "CFD 23-8M" or "CFD"; defined below). The amount of Special Tax to be levied on a Parcel in each Fiscal Year, (defined below), commencing in Fiscal Year 2023-2024, shall be determined by the Riverside County Board of Supervisors, acting in its capacity as the legislative body of the CFD by applying the appropriate Special Tax as set forth in Sections B., C., and D., below. All property within the CFD, unless exempted by law or by the provisions of Section E., below, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Accessory Dwelling Unit(s)" means a residential unit of limited size, as defined in California Government Code Section 65852.2 that shares an Assessor's Parcel Number with Single Family Residential Property.

"Acre" or "Acreage" means the land area of a Parcel as shown on the most recent Assessor's Parcel Map, or if the land area is not shown on the Assessor's Parcel Map, the land area shown on the applicable Final Map, condominium plan, or other recorded County map. If the preceding maps are not available, the Acreage of an Assessor's Parcel Number may be determined utilizing Geographic Information System. The square footage of a Parcel is equal to the Acreage of such Parcel multiplied by 43,560.

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

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

"Administrator" means an official of the County, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

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

"Assessor" means the Assessor of the County.

“Assessor’s Parcel Map” means an official map of the Assessor of the County designating a Parcel by an Assessor’s Parcel Number.

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

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

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

“Building Permit(s)” means a legal document(s) issued by a local agency that allows for new vertical construction of a building or buildings.

“Certificate of Occupancy” means a certificate of occupancy issued by the County in accordance with all applicable ordinances, regulations, and rule of the County and State law.

“CFD” or **“CFD 23-8M”** means Community Facilities District No. 23-8M (McCanna Hills) of the County of Riverside.

“Consumer Price Index” means the cumulative percentage increase in the Consumer Price Index (CPI) published by the U.S. Bureau of Labor Statistics for All Urban Consumers in the Riverside-San Bernardino-Ontario Area, as it stands in March of each year over the preceding Fiscal Year. In the event this index ceases to be published, the Consumer Price Index shall be another index as determined by the Administrator that is reasonably comparable to the Consumer Price Index for the Riverside-San Bernardino-Ontario Area. In the event that the percentage change in the annualized CPI is negative, the Special Tax shall not be decreased.

“County” means the County of Riverside, California.

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

“Development Class” means either Developed Property, Approved Property, Taxable Property Owner’s Association Property, Taxable Public Property, or Undeveloped property.

“Dwelling Unit(s)” or **“(DU)”** means a residential building(s) that is used or intended to be used as a domicile by one or more persons, as determined by the Administrator.

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

“Final Map” means a subdivision of property by recordation of a tract map, parcel map or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq.*) or recordation of a condominium plan pursuant to California Civil Code 4200 that creates individual lots for which Building Permit(s) may be issued without further subdivision.

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

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

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

“Non-Residential Property” means all Parcels of Developed Property for which a Building Permit(s) was issued permitting the construction of one or more non-residential structures.

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

“Property Owner’s Association Property” means all Parcels which have been conveyed, dedicated to, or irrevocably offered for dedication to a home-owner’s association, condominium owner’s association or any master or sub-association, prior to April 1st preceding the Fiscal Year in which the Special Tax is being levied.

“Proportionately” means for each Parcel of Taxable Property that are Developed Property, Approved Property, Taxable Property Owner’s Association Property, Taxable Public Property or Undeveloped Property, that the ratio of the actual Special Tax levy to Maximum Special Tax is the same for all Parcels assigned within each Development Class.

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

“Residential Property” means all Parcels of Developed Property for which a Building Permit(s) has been issued permitting the construction of one or more residential Dwelling Units.

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

“Special Tax(es)” means the amount to be levied in each Fiscal Year on each Parcel of Taxable Property in accordance with Section D., below to fund the Special Tax Requirement.

“Special Tax Requirement(s)” means that amount required in any Fiscal Year to: (i) pay the estimated cost of Special Tax Services such Fiscal Year as determined by the County; (ii) fund the Special Tax Reserve Fund to the extent that the inclusion of such amount does not increase the Special Tax for Undeveloped Property unless requested by the developer or the amount needed to fund the Special Tax Reserve Fund up to the Special Tax Reserve Fund Requirement; (iii) pay Administrative Expenses; (iv) pay any anticipated Special Tax delinquencies based on actual delinquencies from the prior Fiscal Year outstanding at the time

the annual Special Tax levy is determined; and (v) less a credit for funds available to reduce the annual Special Tax levy at the sole discretion of the Administrator.

“Special Tax Reserve Fund Requirement” means an amount up to 150% of the anticipated annual cost of Special Tax Services of \$111,478. The Special Tax Reserve Fund Requirement shall be increased annually, commencing July 1, 2024, by the amount equal to the greater of two percent (2%) or up to the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax in effect in the previous Fiscal Year at the sole discretion of the Administrator.

“Special Tax Services” means services permitted under the Mello-Roos Community Facilities Act of 1982 including, without limitation, those services authorized to be funded by CFD 23-8M as set forth in the documents adopted by the Board at the time the CFD was formed.

“State” means the State of California.

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

“Taxable Property Owner’s Association Property” means all Parcels of Property Owner’s Association Property that satisfies both of the following conditions: (i) based on reference to the maps used during the formation of the district, the Parcel was not anticipated to be Property Owner’s Association Property, as determined by the Administrator, and (ii) if the Parcel were to be exempt from the Special Tax because it is Property Owner’s Association Property, the County has determined that there would be a reduction in Special Tax revenues that would create a deficit in funding the Special Tax Requirement.

“Taxable Public Property” means all Parcels of Public Property that satisfies both of the following conditions: (i) based on reference to the maps used during the formation of the district, the Parcel was not anticipated to be Public Property, as determined by the Administrator, and (ii) if the Parcel were to be exempt from the Special Tax because it is Public Property, the County has determined that there would be a reduction in Special Tax revenues that would create a deficit in funding the Special Tax Requirement.

“Taxable Unit” means either a Dwelling Unit(s) or an Acre.

“Undeveloped Property” means all Parcels of Taxable Property not classified as Developed Property, Approved Property, Taxable Property Owner’s Association Property or Taxable Public Property.

B. ASSIGNMENT TO DEVELOPMENT CLASS

Each Fiscal Year, commencing with Fiscal Year 2023-2024, all Parcels of Taxable Property shall be classified as either Developed Property, Approved Property, Taxable Property Owner’s Association Property, Taxable Public Property, or Undeveloped Property, and subject to the levy of Special Taxes in accordance with this Rate and Method of Apportionment as determined pursuant to Sections C. and D., below.

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

C. MAXIMUM SPECIAL TAX RATES

1. Developed Property

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

**TABLE 1
MAXIMUM SPECIAL TAX RATES
DEVELOPED PROPERTY
FISCAL YEAR 2023-2024**

Development Class	Taxable Unit	Maximum Special Tax
Single Family Residential Property	DU	\$802
Multi-family Residential Property	Acre	\$802
Non-Residential Property	Acre	\$4,611

(a) Increase in the Maximum Special Tax

On each July 1, the Maximum Special Tax identified in Table 1 above, shall be increased annually, commencing July 1, 2024, by the amount equal to the greater of two percent (2%) or up to the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax in effect in the previous Fiscal Year at the sole discretion of the Administrator.

(b) Multiple Development Classes

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

Once a Maximum Special Tax has been assigned to a Parcel of Developed Property, the Maximum Special Tax shall not be reduced in future Fiscal Years regardless of changes in Development Class, Square Footage, or Acreage, unless a reduction in the Maximum Special Tax is approved by the Board for the entire CFD.

(c) Accessory Dwelling Unit(s)

Where an Accessory Dwelling Unit(s) is on the same Assessor Parcel Number as another Taxable Unit, the Accessory Dwelling Unit(s) is not considered a separate Taxable Unit and will not be added to the calculation of the Maximum Special Tax for a Parcel.

2. Approved Property

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

The Maximum Special Tax for Approved Property shall be increased annually, commencing July 1, 2024, by the amount equal to the greater of two percent (2%) or up to the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax in effect in the previous Fiscal Year at the sole discretion of the Administrator.

3. Taxable Property Owner’s Association Property and Taxable Public Property

The Maximum Special Tax for each Parcel of Taxable Property Owner’s Association Property or Taxable Public Property shall be equal to the product of the applicable Undeveloped Property Maximum Special Tax per Acre times the Acreage of such Parcel.

The Maximum Special Tax for Taxable Property Owner’s Association Property and Taxable Public Property shall be increased annually, commencing July 1, 2024, by the amount equal to the greater of two percent (2%) or up to the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax in effect in the previous Fiscal Year at the sole discretion of the Administrator.

4. Undeveloped Property

The Maximum Special Tax that may be levied and escalated for each Parcel classified as Undeveloped Property for each Parcel shall be \$4,611 per Acre.

The Maximum Special Tax for Undeveloped Property shall be increased annually, commencing July 1, 2024, by the amount equal to the greater of two percent (2%) or up to the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax in effect in the previous Fiscal Year at the sole discretion of the Administrator.

5. Public Property and/or Property Owner’s Association Property

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

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing with Fiscal Year 2023-2024 and for each following Fiscal Year, the Administrator shall levy the Special Tax on all Taxable Property until the amount of Special Tax equals the Special Tax Requirement in accordance with the following steps:

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

Second: 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 Parcel of Approved Property at up to 100% of the Maximum Special Tax for Approved Property.

Third: If additional moneys are needed to satisfy the Special Tax Requirement after the first two steps have been completed, the Special Tax shall be levied Proportionately on each Parcel of Taxable Property Owner's Associations Property up to 100% of the applicable Maximum Special Tax for Taxable Property Owner's Association.

Fourth: If additional moneys are needed to satisfy the Special Tax requirement after the first three steps have been completed, the Special Tax shall be levied Proportionately on each Parcel of Taxable Public Property at up to 100% of the applicable Maximum Special Tax for Taxable Public Property.

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

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

E. EXEMPTIONS

The CFD shall not levy Special Taxes on Property Owner's Association Property (except Taxable Property Owner's Association Property) or Public Property (except Taxable Public Property) within the CFD.

F. 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 Administrator may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of the CFD, and provided further that the CFD may covenant to foreclose and may actually foreclose on Parcels having delinquent Special Taxes as permitted by the Act.

G. APPEALS

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

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

H. PREPAYMENT OF SPECIAL TAX

The Special Tax may not be prepaid.

I. TERM OF THE SPECIAL TAX

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

1 of a special 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 November 7, 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
6 the Act, said special election was held on November 7, 2023. Each of the propositions was approved by
7 more than two-thirds of the votes cast at said special election.

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

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

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

16 Section 4. LEVY OF SPECIAL TAXES.

17 a. By the passage of this Ordinance, the Board of Supervisors hereby
18 authorizes and levies special taxes within the District pursuant to Sections 53328 and 53340 of the
19 Government Code, at the rate and in accordance with the method of apportionment (the "Rate and
20 Method") set forth in the Resolution of Formation and attached as Exhibit A hereto and made a part
21 hereof. The special taxes are hereby levied commencing in the fiscal year 2023-2024 and in each fiscal
22 year thereafter for the period necessary to satisfy the Special Tax Requirement (as defined in the Rate and
23 Method) and until action is taken by the Board of Supervisors, acting as the Legislative Body of the
24 District, to dissolve the District.

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

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

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

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

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

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

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
4 special taxes in the District shall take effect immediately upon its passage in accordance with the
5 provisions of Section 25123(c) of the Government Code. The Chair of the Board of Supervisors shall sign
6 this ordinance, and the Clerk of the Board of Supervisors shall attest to the Chair's signature and then
7 cause a 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.

9
10 BOARD OF SUPERVISORS OF THE COUNTY
11 OF RIVERSIDE, STATE OF CALIFORNIA
12

13 By: _____

14 Chair of the Board of Supervisors

15 ATTEST:

16 CLERK OF THE BOARD:

17
18 By: _____

19 Deputy

20 (SEAL)
21

22 APPROVED AS TO FORM

23
24 By: 

25 Stephanie Nelson

26 Deputy County Counsel
27
28

FORM APPROVED COUNTY COUNSEL
BY: Steph K Nelson 10/25/23
DATE

1 Board of Supervisors

County of Riverside

2 RESOLUTION NO. 2023-255

3 A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE OF
4 FORMATION OF COMMUNITY FACILITIES DISTRICT NO. 23-8M (MCCANNA HILLS) OF THE
5 COUNTY OF RIVERSIDE. AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN SAID
6 DISTRICT TO PAY FOR MAINTENANCE OF LANDSCAPING, LIGHTING, TRAFFIC SIGNAL,
7 DRAINAGE, AND GRAFFITI ABATEMENT; CALLING A SPECIAL ELECTION TO SUBMIT TO
8 THE RESPECTIVE QUALIFIED VOTERS THE QUESTION OF LEVYING SUCH SPECIAL TAX
9 AND ESTABLISHING AN APPROPRIATIONS LIMIT FOR SAID DISTRICT; AND DESIGNATING
10 THE ELECTION OFFICIAL FOR SUCH MATTERS

11
12 **WHEREAS**, on October 3, 2023, the Board of Supervisors (the "Board of Supervisors") of the
13 County of Riverside (the "County"), pursuant to the Mello-Roos Community Facilities Act of 1982 (the
14 "Act"), commencing with Section 53311 of the California Government Code (the "Government Code"),
15 adopted Resolution No. 2023-254 (the "Resolution of Intention"), stating its intention to establish a
16 community facilities district, proposed to be named Community Facilities District No. 23-8M (McCanna
17 Hills) of the County of Riverside (the "Community Facilities District"), and to authorize the levy of special
18 taxes to finance certain authorized services and setting November 7, 2023, as the date for a public hearing
19 to be held on the establishment of the Community Facilities District;

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

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

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

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

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

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

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

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

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

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

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

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

4 **WHEREAS**, on the basis of all of the foregoing, the Board of Supervisors has determined at this
5 time to proceed with the establishment of the Community Facilities District as provided by said Resolution
6 No. 2023-254 to submit to the qualified electors of the Community Facilities District propositions to
7 authorize the levy of a special tax pursuant to the Rate and Method of Apportionment of Special Tax
8 described in Exhibit B to Resolution No. 2023-254 and the Community Facilities District Report;

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

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

15 **NOW, THEREFORE, BE IT RESOLVED, FOUND, DETERMINED, AND ORDERED** by
16 the Board of Supervisors of the County of Riverside, State of California, in regular session assembled on
17 November 7, 2023, as follows:

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

19 **Section 2.** The Board of Supervisors hereby approves and adopts and confirms said Resolution
20 No. 2023-254, notice of which was published and mailed prior to the public hearing as required by law,
21 and, except as otherwise provided herein, reconfirms all of its findings and determinations contained in said
22 Resolution No. 2023-254.

23 **Section 3.** The Board of Supervisors hereby approves and adopts the Rate and Method of
24 Apportionment of Special Tax for the Community Facilities District and the manner of collection of the
25 special tax as set forth in Exhibit B to this resolution. To the extent required by Section 53325.1(a) of the
26 Government Code, all of the information contained in Resolution No. 2023-254 is incorporated herein and
27 made a part hereof.

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

1 **Section 5.** The Community Facilities District is hereby named "Community Facilities District
2 No. 23-8M (McCanna Hills) of the County of Riverside."

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

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

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

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

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

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

1 **Section 11.** The boundary map of the Community Facilities District was recorded on October 6,
2 2023, in Riverside County in Book 92 at Page 11 of the Book of Maps of Assessment and Community
3 Facilities Districts in the Riverside County Recorder's Office, as Instrument No. 2023-0296526. The Board
4 of Supervisors hereby approves and ratifies said map and the boundaries of the Community Facilities
5 District which are incorporated herein and made a part hereof.

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

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

21 **Section 14.** The Board of Supervisors hereby calls and schedules a special election for November
22 7, 2023, at 9:30 a.m. within and for the Community Facilities District on (i) the proposition with respect to
23 the annual levy of special taxes within the Community Facilities District for the provision of authorized
24 services to the Community Facilities District and (ii) the proposition with respect to establishing an
25 appropriations limit for the Community Facilities District.

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

1 Proposition A: Shall special taxes be levied annually on taxable property within Community
2 Facilities District No. 23-8M (McCanna Hills) of the County of Riverside to fund, pay for, and
3 finance authorized maintenance of Landscaping, Lighting, Traffic Signal, Drainage, and Graffiti
4 Abatement (as specified and reflected in the Resolution of Intention, the Resolution of Formation,
5 and the Rate and Method of Apportionment of Special Tax) and to pay expenses incidental thereto
6 and incidental to the levy and collection of the special taxes, so long as the special taxes are needed
7 to fund such services, at the special tax rates and pursuant to the method of apportioning the special
8 taxes set forth in Exhibit B to Resolution No. 2023-254 adopted by the Board of Supervisors of said
9 County on October 3, 2023.

10
11 Proposition B: Shall an appropriations limit, as defined by subdivision (h) of Section 8 of Article
12 XIII B of the California Constitution, be established for Community Facilities District No. 23-8M
13 (McCanna Hills) of the County of Riverside in the amount of \$4,000,000?

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

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

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

28 (b) Pursuant to applicable sections of the California Elections Code governing the conduct of

1 mail ballot elections of counties, and in particular Division 4 (commencing with Section 4000) of that Code
2 with respect to elections conducted by mail, the Election Official shall mail or deliver to each qualified
3 elector an official ballot and shall also mail or deliver to all such qualified electors a ballot pamphlet and
4 instructions to voter, including a sample ballot identical in form to the official ballot but identified as a
5 sample ballot, a return identification envelope with prepaid postage thereon addressed to the Election
6 Official for the returning of voted official ballots, and a copy of Resolution No. 2023-254.

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

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

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

1 all other information to be inserted thereon properly inserted by 9:00 a.m. on the date of the Special Election;
2 provided that the election shall be closed before such hour if the Election Official determines that all of the
3 qualified voters have voted.

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

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

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

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

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

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

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Incidental Expenses

The incidental expenses proposed to be incurred include the following:

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

EXHIBIT B

PROPOSED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

[See Attached.]

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4 **EXHIBIT A**

5 **SERVICES AND INCIDENTAL EXPENSES**

6 **Services**

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

- 8 (i) Landscaping improvements that may include, but are not limited to all landscaping material
9 and facilities within the CFD. These improvements include turf, ground cover, shrubs, trees,
10 plants, irrigation and drainage system, ornamental lighting, masonry walls or other fencing,
11 park and trail maintenance; and
- 12 (ii) Street lighting maintenance, which includes energy charges, operation, maintenance, and
13 administration of street lighting located within the designated boundaries of the CFD; and
- 14 (iii) Traffic signal maintenance including energy charges, operation, maintenance, and
15 administrative costs of traffic signal within the boundaries of the CFD; and
- 16 (iv) Administration, inspection, and maintenance of all stormwater facilities and BMPs to
17 include: water quality basins, fossil filters, basin forebays, and all other
18 NPDES/WQMP/BMP related devices and structures as approved and accepted by the
19 Community Facilities District; administration includes, but is not limited to, quality control
20 and assurance of inspections and maintenance, general contract management, scheduling of
21 inspections and maintenance, and general oversight of all NPDES/WQMP/BMP operations;
22 inspection includes, but is not limited to, travel time, visual inspection process and
23 procedures for functionality, GPS location recording, assurance of proper vegetation,
24 functioning irrigation, and citing operational or structural deficiencies, erosion, trash, silt
25 and sediment build-up; and maintenance includes, but is not limited to, repair or replacement
26 of any deficiencies noted during inspection, weed control and abatement, trash removal, and
27 healthy upkeep of required plant materials.
- 28 (v) Graffiti abatement of walls and other permanent structures.

1 **ADOPTED, SIGNED AND APPROVED** this 7th day of November 2023, by the Board of Supervisors of
2 the County of Riverside.

3
4 

5 _____
6 Chair of the Board of Supervisors
7 Kevin Jeffries

8 **ATTEST:**

9 Kimberley A. Rector

10 Clerk to the Board of Supervisors

11
12 By:  _____

13 Deputy

14 **ROLL CALL:**

15
16 Ayes: Jeffries, Washington, Spiegel, and Perez

17 Nays: None

18 Absent: Gutierrez

19 The foregoing is certified to be a true copy of a resolution duly adopted by said Board of Supervisors on
20 the date therein set forth.

21 KIMBERLY A. RECTOR, Clerk of said Board

22 By:  _____

23 Deputy

24 11.07.2023 19.1
25
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28

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR
COMMUNITY FACILITIES DISTRICT NO. 23-8M (McCanna Hills)
OF THE COUNTY OF RIVERSIDE
STATE OF CALIFORNIA**

A Special Tax (all capitalized terms are defined in Section A. Definitions, below) shall be applicable to each Parcel of Taxable Property located within the boundaries of Community Facilities District No. 23-8M (McCanna Hills) (the "CFD 23-8M" or "CFD"; defined below). The amount of Special Tax to be levied on a Parcel in each Fiscal Year, (defined below), commencing in Fiscal Year 2023-2024, shall be determined by the Riverside County Board of Supervisors, acting in its capacity as the legislative body of the CFD by applying the appropriate Special Tax as set forth in Sections B., C., and D., below. All property within the CFD, unless exempted by law or by the provisions of Section E., below, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Accessory Dwelling Unit(s)" means a residential unit of limited size, as defined in California Government Code Section 65852.2 that shares an Assessor's Parcel Number with Single Family Residential Property.

"Acre" or "Acreage" means the land area of a Parcel as shown on the most recent Assessor's Parcel Map, or if the land area is not shown on the Assessor's Parcel Map, the land area shown on the applicable Final Map, condominium plan, or other recorded County map. If the preceding maps are not available, the Acreage of an Assessor's Parcel Number may be determined utilizing Geographic Information System. The square footage of a Parcel is equal to the Acreage of such Parcel multiplied by 43,560.

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

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

"Administrator" means an official of the County, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

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

"Assessor" means the Assessor of the County.

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

"Assessor's Parcel Number" means the number assigned to a lot or Parcel for purposes of identification as determined from an Assessor Parcel Map.

"Board" means Riverside County Board of Supervisors, acting in its capacity as the legislative body of the CFD.

"Boundary Map" means a recorded map of the CFD which indicates by a boundary line the extent of the territory within the CFD identified to be subject to the levy of Special Taxes.

"Building Permit(s)" means a legal document(s) issued by a local agency that allows for new vertical construction of a building or buildings.

"Certificate of Occupancy" means a certificate of occupancy issued by the County in accordance with all applicable ordinances, regulations, and rule of the County and State law.

"CFD" or **"CFD 23-8M"** means Community Facilities District No. 23-8M (McCanna Hills) of the County of Riverside.

"Consumer Price Index" means the cumulative percentage increase in the Consumer Price Index (CPI) published by the U.S. Bureau of Labor Statistics for All Urban Consumers in the Riverside-San Bernardino-Ontario Area, as it stands in March of each year over the preceding Fiscal Year. In the event this index ceases to be published, the Consumer Price Index shall be another index as determined by the Administrator that is reasonably comparable to the Consumer Price Index for the Riverside-San Bernardino-Ontario Area. In the event that the percentage change in the annualized CPI is negative, the Special Tax shall not be decreased.

"County" means the County of Riverside, California.

"Developed Property" means for each Fiscal Year, all Parcels of Taxable Property: (i) that are included in a Final Map that was recorded prior to January 1st preceding the Fiscal Year in which the Special Tax is being levied, and (ii) for which a Building Permit(s) for vertical construction has been issued prior to April 1st preceding the Fiscal Year in which the Special Tax is being levied.

"Development Class" means either Developed Property, Approved Property, Taxable Property Owner's Association Property, Taxable Public Property, or Undeveloped property.

"Dwelling Unit(s)" or **"(DU)"** means a residential building(s) that is used or intended to be used as a domicile by one or more persons, as determined by the Administrator.

"Exempt Property" means any Parcel which is exempt from Special Taxes pursuant to Section E., below.

"Final Map" means a subdivision of property by recordation of a tract map, parcel map or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq.*) or recordation of a condominium plan pursuant to California Civil Code 4200 that creates individual lots for which Building Permit(s) may be issued without further subdivision.

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

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

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

"Non-Residential Property" means all Parcels of Developed Property for which a Building Permit(s) was issued permitting the construction of one or more non-residential structures.

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

"Property Owner's Association Property" means all Parcels which have been conveyed, dedicated to, or irrevocably offered for dedication to a home-owner's association, condominium owner's association or any master or sub-association, prior to April 1st preceding the Fiscal Year in which the Special Tax is being levied.

"Proportionately" means for each Parcel of Taxable Property that are Developed Property, Approved Property, Taxable Property Owner's Association Property, Taxable Public Property or Undeveloped Property, that the ratio of the actual Special Tax levy to Maximum Special Tax is the same for all Parcels assigned within each Development Class.

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

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

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

"Special Tax(es)" means the amount to be levied in each Fiscal Year on each Parcel of Taxable Property in accordance with Section D., below to fund the Special Tax Requirement.

"Special Tax Requirement(s)" means that amount required in any Fiscal Year to: (i) pay the estimated cost of Special Tax Services such Fiscal Year as determined by the County; (ii) fund the Special Tax Reserve Fund to the extent that the inclusion of such amount does not increase the Special Tax for Undeveloped Property unless requested by the developer or the amount needed to fund the Special Tax Reserve Fund up to the Special Tax Reserve Fund Requirement; (iii) pay Administrative Expenses; (iv) pay any anticipated Special Tax delinquencies based on actual delinquencies from the prior Fiscal Year outstanding at the time

the annual Special Tax levy is determined; and (v) less a credit for funds available to reduce the annual Special Tax levy at the sole discretion of the Administrator.

“Special Tax Reserve Fund Requirement” means an amount up to 150% of the anticipated annual cost of Special Tax Services of \$111,478. The Special Tax Reserve Fund Requirement shall be increased annually, commencing July 1, 2024, by the amount equal to the greater of two percent (2%) or up to the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax in effect in the previous Fiscal Year at the sole discretion of the Administrator.

“Special Tax Services” means services permitted under the Mello-Roos Community Facilities Act of 1982 including, without limitation, those services authorized to be funded by CFD 23-8M as set forth in the documents adopted by the Board at the time the CFD was formed.

“State” means the State of California.

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

“Taxable Property Owner’s Association Property” means all Parcels of Property Owner’s Association Property that satisfies both of the following conditions: (i) based on reference to the maps used during the formation of the district, the Parcel was not anticipated to be Property Owner’s Association Property, as determined by the Administrator, and (ii) if the Parcel were to be exempt from the Special Tax because it is Property Owner’s Association Property, the County has determined that there would be a reduction in Special Tax revenues that would create a deficit in funding the Special Tax Requirement.

“Taxable Public Property” means all Parcels of Public Property that satisfies both of the following conditions: (i) based on reference to the maps used during the formation of the district, the Parcel was not anticipated to be Public Property, as determined by the Administrator, and (ii) if the Parcel were to be exempt from the Special Tax because it is Public Property, the County has determined that there would be a reduction in Special Tax revenues that would create a deficit in funding the Special Tax Requirement.

“Taxable Unit” means either a Dwelling Unit(s) or an Acre.

“Undeveloped Property” means all Parcels of Taxable Property not classified as Developed Property, Approved Property, Taxable Property Owner’s Association Property or Taxable Public Property.

B. ASSIGNMENT TO DEVELOPMENT CLASS

Each Fiscal Year, commencing with Fiscal Year 2023-2024, all Parcels of Taxable Property shall be classified as either Developed Property, Approved Property, Taxable Property Owner’s Association Property, Taxable Public Property, or Undeveloped Property, and subject to the levy of Special Taxes in accordance with this Rate and Method of Apportionment as determined pursuant to Sections C. and D., below.

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

C. MAXIMUM SPECIAL TAX RATES

1. Developed Property

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

**TABLE 1
MAXIMUM SPECIAL TAX RATES
DEVELOPED PROPERTY
FISCAL YEAR 2023-2024**

Development Class	Taxable Unit	Maximum Special Tax
Single Family Residential Property	DU	\$802
Multi-family Residential Property	Acre	\$802
Non-Residential Property	Acre	\$4,611

(a) Increase in the Maximum Special Tax

On each July 1, the Maximum Special Tax identified in Table 1 above, shall be increased annually, commencing July 1, 2024, by the amount equal to the greater of two percent (2%) or up to the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax in effect in the previous Fiscal Year at the sole discretion of the Administrator.

(b) Multiple Development Classes

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

Once a Maximum Special Tax has been assigned to a Parcel of Developed Property, the Maximum Special Tax shall not be reduced in future Fiscal Years regardless of changes in Development Class, Square Footage, or Acreage, unless a reduction in the Maximum Special Tax is approved by the Board for the entire CFD.

(c) Accessory Dwelling Unit(s)

Where an Accessory Dwelling Unit(s) is on the same Assessor Parcel Number as another Taxable Unit, the Accessory Dwelling Unit(s) is not considered a separate Taxable Unit and will not be added to the calculation of the Maximum Special Tax for a Parcel.

2. Approved Property

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

The Maximum Special Tax for Approved Property shall be increased annually, commencing July 1, 2024, by the amount equal to the greater of two percent (2%) or up to the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax in effect in the previous Fiscal Year at the sole discretion of the Administrator.

3. Taxable Property Owner's Association Property and Taxable Public Property

The Maximum Special Tax for each Parcel of Taxable Property Owner's Association Property or Taxable Public Property shall be equal to the product of the applicable Undeveloped Property Maximum Special Tax per Acre times the Acreage of such Parcel.

The Maximum Special Tax for Taxable Property Owner's Association Property and Taxable Public Property shall be increased annually, commencing July 1, 2024, by the amount equal to the greater of two percent (2%) or up to the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax in effect in the previous Fiscal Year at the sole discretion of the Administrator.

4. Undeveloped Property

The Maximum Special Tax that may be levied and escalated for each Parcel classified as Undeveloped Property for each Parcel shall be \$4,611 per Acre.

The Maximum Special Tax for Undeveloped Property shall be increased annually, commencing July 1, 2024, by the amount equal to the greater of two percent (2%) or up to the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax in effect in the previous Fiscal Year at the sole discretion of the Administrator.

5. Public Property and/or Property Owner's Association Property

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

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing with Fiscal Year 2023-2024 and for each following Fiscal Year, the Administrator shall levy the Special Tax on all Taxable Property until the amount of Special Tax equals the Special Tax Requirement in accordance with the following steps:

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

Second: 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 Parcel of Approved Property at up to 100% of the Maximum Special Tax for Approved Property.

Third: If additional moneys are needed to satisfy the Special Tax Requirement after the first two steps have been completed, the Special Tax shall be levied Proportionately on each Parcel of Taxable Property Owner's Associations Property up to 100% of the applicable Maximum Special Tax for Taxable Property Owner's Association.

Fourth: If additional moneys are needed to satisfy the Special Tax requirement after the first three steps have been completed, the Special Tax shall be levied Proportionately on each Parcel of Taxable Public Property at up to 100% of the applicable Maximum Special Tax for Taxable Public Property.

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

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

E. EXEMPTIONS

The CFD shall not levy Special Taxes on Property Owner's Association Property (except Taxable Property Owner's Association Property) or Public Property (except Taxable Public Property) within the CFD.

F. 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 Administrator may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of the CFD, and provided further that the CFD may covenant to foreclose and may actually foreclose on Parcels having delinquent Special Taxes as permitted by the Act.

G. APPEALS

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

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

H. PREPAYMENT OF SPECIAL TAX

The Special Tax may not be prepaid.

I. TERM OF THE SPECIAL TAX

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