

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



**ITEM: 3.14
(ID # 30531)**

MEETING DATE:
Tuesday, June 09, 2026

FROM : OFFICE OF ECONOMIC DEVELOPMENT

SUBJECT: OFFICE OF ECONOMIC DEVELOPMENT: Receive and File the Statement of the Election Official, Adoption of Resolution No. 2026-015 Declaring the Results of a Consolidated Special Election, Introduction of Ordinance No. 1010, an Ordinance of the County of Riverside Authorizing the Levy of a Special Tax within Community Facilities District 26-1M (Highland Hills) TR 38605 of the County of Riverside. District 2. (Clerk of the Board to Record Notice of Special Tax)

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file the Statement of the Election Official regarding the Canvass of the Election for the Community Facilities District;
2. Adopt Resolution No. 2026-015, a Resolution of the Board of Supervisors of the County of Riverside Declaring the Results of Consolidated Special Elections within Community Facilities District No. 26-1M (Highland Hills) of the County of Riverside;
3. Introduce, read title, waive reading of, and adopt on successive weeks proposed Ordinance No. 1010, an Ordinance of the County of Riverside Authorizing the Levy of a Special Tax within Community Facilities District No. 26-1M (Highland 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 5/14/2026

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Medina, Spiegel, Washington, Perez, and Gutierrez
Nays: None
Absent: None
Date: June 9, 2026
xc: OED, Recorder, COB/AG

Kimberly A. Rector
Clerk of the Board
By: 
Deputy

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

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: N/A			Budget Adjustment: N/A	
			For Fiscal Year: 26/27	

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 landscaping, storm water Best Management Practice (BMP), street lighting, and or other similar improvements and set goals and policies concerning Community Facilities Districts (CFD).

Highland Grove III – Lake Mathews, L.P., is the Owner of Tentative Tract Map 38605 and has petitioned that the County of Riverside Office of Economic Development assist them in forming a district and include their property for the County of Riverside (County) to cover the costs associated with the maintenance of public improvements within the proposed district and have 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 services necessary to meet the increased demands placed by development upon the County, as listed in Exhibit A attached herein.

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 of Tentative Tract Map No. 38605 has petitioned the County to include their property into proposed Community Facilities District 26-1M (Highland Hills).

The boundaries of CFD No. 26-1M (Highland Hills) will encompass the entire Tentative Tract No. 38605, which includes 163 single-family residential units, none of which are currently occupied.

On April 28, 2026 (Agenda Item 3.17), the County Board of Supervisors approved Resolution No. 2026-013, 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 Highland Grove III – Lake Mathews, L.P. The Resolution also requires the Board of Supervisors hold a public

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

hearing and submit the formation of the proposed CFD 26-1M (Highland Hills) to the landowners at a special election to be conducted by mailed ballot if a majority protest does not occur.

On June 2, 2026, 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. 2026-014, a Resolution of the Board of Supervisors of the County of Riverside of Formation of Community Facilities District No. 26-1M (Highland Hills) of the County of Riverside, Authorizing the Levy of a Special Tax within Said District to Pay for authorized maintenance of Developer-installed and County-required

infrastructure, particularly those listed in Exhibit A attached herein, 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 96 'YES' votes for Proposition A and Proposition B as described in Section 14 of Resolution No. 2026-014 (adopted on 6/2/2026). Adoption of proposed Resolution No. 2026-015, 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 26-1M (Highland Hills). Proposed County Ordinance No. 1010 would authorize and levy Special Taxes within the boundaries of Community Facilities District 26-1M (Highland Hills).

Reference

The CFD Rate and Method of Apportionment (RMA) is consistent with the Mello-Roos Act of 1982. In November 1996, California voters passed Proposition 218, Right to Vote on Taxes Act which added Articles XIII C and XIII D to the California Constitution. The County may levy taxes on this proposed CFD after complying with the requirements of the Mello-Roos Community Facilities Act of 1982 and the provisions of Proposition 218 Right to Vote on Taxes Act. The formation of the proposed CFD adheres to Board Policy B-12 entitled "Land Secured Financing Districts", which was revised on January 27, 2015, to include "Service and Maintenance CFDs" to fund the ongoing maintenance of street lighting, 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 Tentative Tract Map No. 38605) 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

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

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 those listed in Exhibit A attached herein. The Developer shall and is obligated to provide disclosure statements to potential buyers which outline the associated tax rate of a new home.

Additional Fiscal Information

The budget for fiscal year 2025-2026, as reflected in the Rate and Method of Apportionment will result in \$307,581, which consists of a Special Tax A of \$1,631 per taxable parcel and a Special Tax B of \$256 per taxable parcel (as defined in the Rate and Method of Apportionment attached as Exhibit A to the Ordinance). The annual Special Tax shall be increased annually by the greater of two percent (2%) or the percentage increase in the Consumer Price Index (CPI-U) for the Riverside-San Bernardino-Ontario area.

ATTACHMENTS:

- Exhibit A: Description of Services
- Recorded CFD Boundary Map (reference only)
- Statement of the Election Official regarding the Canvass of the Election for the CFD
- Resolution No. 2026-015
- Proposed Ordinance No. 1010
- Rate and Method of Apportionment


Jacqueline Ruiz, Principal Analyst 6/2/2026


Aaron Gettis, Chief Deputy County Counsel 5/22/2026

2
3 RESOLUTION NO. 2026-015

4 A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE
5 DECLARING THE RESULTS OF CONSOLIDATED SPECIAL ELECTIONS WITHIN COMMUNITY
6 FACILITIES DISTRICT NO. 26-1M (HIGHLAND HILLS)
7 OF THE COUNTY OF RIVERSIDE
8

9 WHEREAS, on June 2, 2026 the Board of Supervisors (the "Board of Supervisors") of the
10 County of Riverside adopted Resolution No. 2026-014 forming Community Facilities District No. 26-1M
11 (Highland Hills) of the County of Riverside (the "Community Facilities District") and calling a special
12 election for submitting to the voters propositions with respect to the levy of an annual Special Tax within
13 the Community Facilities District and establishing an appropriations limit for the Community Facilities
14 District; and

15 WHEREAS, the Board of Supervisors has received a statement from the Director of the
16 Office of Economic Development, who was appointed to serve as the election official of the election (the
17 "Election Official") pursuant to Resolution No. 2026-014, with respect to the canvass of the ballots
18 returned in and the results of the consolidated special elections, certifying that more than two-thirds of the
19 votes cast upon the propositions submitted to the voters within the Community Facilities District were
20 cast in favor of the propositions.

21 NOW, THEREFORE, BE IT RESOLVED, FOUND AND ORDERED by the Board of
22 Supervisors of the County of Riverside, in regular session assembled on June 9, 2026, as follows:

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

24 Section 2. Findings. The Board of Supervisors finds that: (i) there were no persons
25 registered to vote within the boundaries of the Community Facilities District at the time of the close of the
26 public or protest hearing on June 2, 2026, and, pursuant to Section 53326 of the California Government
27 Code ("Section 53326"), the vote in the consolidated special elections for the Community Facilities
28 District was, therefore, to be by the landowners owning land within the Community Facilities District,

FORM APPROVED COUNTY COUNSEL
BY: *Stephanie K. Nelson* 5/19/26
DATE
STEPHANIE K. NELSON

1 with each landowner having one vote for each acre or portion of an acre of land that he or she owned
2 within the Community Facilities District which would have been subject to the Special Tax if levied at the
3 time of the consolidated special elections; (ii) pursuant to Section 53326 and Resolution No. 2026-014,
4 the Election Official caused the ballots for the consolidated special elections for the Community Facilities
5 District to be delivered to the owners of the property within the Community Facilities District (the
6 "Property Owners"); (iii) the Property Owners waived the time limits for holding the consolidated special
7 elections and the election dates specified in Section 53326, and consented to the calling and holding of the
8 consolidated special elections on June 2, 2026; (iv) the consolidated special elections have been properly
9 conducted in accordance with all statutory requirements and the provisions of Resolution No. 2026-014;
10 (v) pursuant to Section 53326, based on the acreage of their land ownership within the Community
11 Facilities District, the Property Owners, as the owners of all of the property within such Community
12 Facilities District, were entitled to 96 votes in the consolidated special elections; (vi) the ballots for the
13 consolidated special elections were returned by the Property Owners to the Election Official prior to 9:00
14 a.m. on June 2, 2026; (vii) the ballots returned to the Election Official by the Property Owners voted all
15 votes to which they were entitled in favor of all propositions set forth therein; (viii) more than two-thirds
16 of the votes cast in the consolidated special elections on each proposition were cast in favor thereof, and
17 pursuant to Section 53328 of the California Government Code, all such propositions carried; (ix) the
18 Board of Supervisors, as the legislative body of the Community Facilities District, is therefore authorized
19 to annually levy Special Taxes on taxable property in the Community Facilities District, in amounts
20 sufficient to fund, pay for, and finance authorized maintenance of Developer-installed and County-
21 required infrastructure, particularly those listed in Exhibit A attached herein (as specified and reflected in
22 the Resolution of Intention, the Resolution of Formation, and the Rate and Method of Apportionment of
23 Special Tax) and to pay expenses incidental thereto and incidental to the levy and collection of the Special
24 Taxes, so long as the Special Taxes are needed to fund such services, at the Special Tax rates and
25 pursuant to the method of apportioning the Special Taxes set forth in Exhibit B to Resolution No. 2026-
26 013; and (x) an appropriations limit for the Community Facilities District has been established in the
27 amount of \$4,000,000.

1 with each landowner having one vote for each acre or portion of an acre of land that he or she owned
2 within the Community Facilities District which would have been subject to the Special Tax if levied at the
3 time of the consolidated special elections; (ii) pursuant to Section 53326 and Resolution No. 2026-014,
4 the Election Official caused the ballots for the consolidated special elections for the Community Facilities
5 District to be delivered to the owners of the property within the Community Facilities District (the
6 "Property Owners"); (iii) the Property Owners waived the time limits for holding the consolidated special
7 elections and the election dates specified in Section 53326, and consented to the calling and holding of the
8 consolidated special elections on June 2, 2026; (iv) the consolidated special elections have been properly
9 conducted in accordance with all statutory requirements and the provisions of Resolution No. 2026-014;
10 (v) pursuant to Section 53326, based on the acreage of their land ownership within the Community
11 Facilities District, the Property Owners, as the owners of all of the property within such Community
12 Facilities District, were entitled to 96 votes in the consolidated special elections; (vi) the ballots for the
13 consolidated special elections were returned by the Property Owners to the Election Official prior to 9:00
14 a.m. on June 2, 2026; (vii) the ballots returned to the Election Official by the Property Owners voted all
15 votes to which they were entitled in favor of all propositions set forth therein; (viii) more than two-thirds
16 of the votes cast in the consolidated special elections on each proposition were cast in favor thereof, and
17 pursuant to Section 53328 of the California Government Code, all such propositions carried; (ix) the
18 Board of Supervisors, as the legislative body of the Community Facilities District, is therefore authorized
19 to annually levy Special Taxes on taxable property in the Community Facilities District, in amounts
20 sufficient to fund, pay for, and finance authorized maintenance of Developer-installed and County-
21 required infrastructure, particularly those listed in Exhibit A attached herein (as specified and reflected in
22 the Resolution of Intention, the Resolution of Formation, and the Rate and Method of Apportionment of
23 Special Tax) and to pay expenses incidental thereto and incidental to the levy and collection of the Special
24 Taxes, so long as the Special Taxes are needed to fund such services, at the Special Tax rates and
25 pursuant to the method of apportioning the Special Taxes set forth in Exhibit B to Resolution No. 2026-
26 013; and (x) an appropriations limit for the Community Facilities District has been established in the
27 amount of \$4,000,000.

1 Section 3. Declaration of Results. All votes voted in the consolidated special elections on
2 (i) the proposition with respect to the annual levy of Special Taxes on taxable property within the
3 Community Facilities District, consistent with the Rate and Method of Apportionment, in amounts
4 sufficient to fund, pay for, and finance authorized maintenance of Developer-installed and County-
5 required infrastructure, particularly those listed in Exhibit A attached herein, and to pay expenses
6 incidental thereto and expenses incidental to the levy and collection of the Special Taxes, so long as the
7 Special Taxes are needed to fund such services and (ii) the proposition with respect to establishing an
8 appropriations limit for the Community Facilities District in the amount of \$4,000,000 were voted in
9 favor thereof; and both such propositions carried.

10 Section 4. Effect of Elections. The effect of the results of the consolidated special
11 elections, as specified in Section 3 hereof, is that the Board of Supervisors, as the legislative body of the
12 Community Facilities District, is authorized to annually levy Special Taxes on taxable property within the
13 Community Facilities District in amounts sufficient to fund, pay for, and finance authorized maintenance
14 of Developer-installed and County-required infrastructure, particularly those listed in Exhibit A attached
15 herein, and to pay expenses incidental thereto and expenses incidental to the levy and collection of the
16 Special Taxes, so long as the Special Taxes are needed to fund such services in accordance with the Rate
17 and Method of Apportionment set forth in Exhibit B to Resolution No. 2026-014 adopted by the Board of
18 Supervisors on June 2, 2026; and that an appropriations limit of \$4,000,000 has been established for the
19 Community Facilities District.

20 Section 5. Notice of Special Tax Lien. The Clerk is authorized and directed to record a
21 notice of special tax lien as provided in Section 53328.3 of the California Government Code and Section
22 3114.5 of the California Streets and Highways Code.

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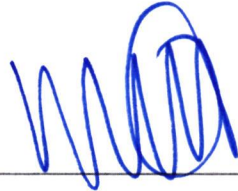
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ADOPTED, SIGNED AND APPROVED this 9th day of June 2026, by the Board of Supervisors of the County of Riverside.

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Karen S. Spiegel
Karen Spiegel, Chair of the Board of Supervisors

ATTEST:
Kimberley A. Rector
Clerk to the Board of Supervisors

By: 
Deputy

2
3 RESOLUTION NO. 2026-015

4 A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE
5 DECLARING THE RESULTS OF CONSOLIDATED SPECIAL ELECTIONS
6 WITHIN COMMUNITY FACILITIES DISTRICT NO. 26-1M (HIGHLAND HILLS)
7 OF THE COUNTY OF RIVERSIDE

8 ROLL CALL:

9 Ayes: Medina, Spiegel, Washington, Perez, and Gutierrez

10 Nays: None

11 Absent: None

12 Abstain: None

13
14 The foregoing is certified to be a true copy of a resolution duly adopted by said Board of
15 Supervisors on the date therein set forth.

16
17 KIMBERLY A. RECTOR, Clerk of said Board

18
19 By:  _____

20 Deputy

1 **EXHIBIT A**

2 **SERVICES AND INCIDENTAL EXPENSES**

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4 **Services**

5 The services which may be funded with proceeds of the Special Tax of CFD No. 26-1M, as provided by
6 Section 53313 of the Act, will include all costs attributable to the following services:

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

28 **Incidental Expenses**

1 The incidental expenses proposed to be incurred include the following:
2

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

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PROPOSED BOUNDARY MAP

COMMUNITY FACILITIES DISTRICT NO. 26-1M (HIGHLAND HILLS)

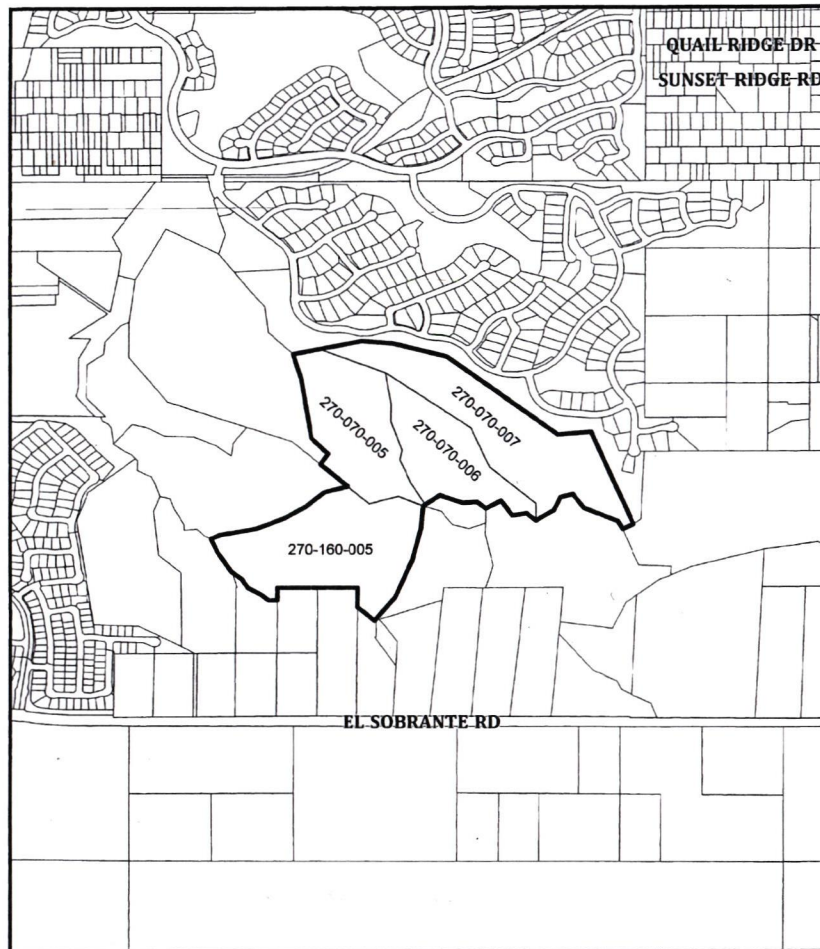
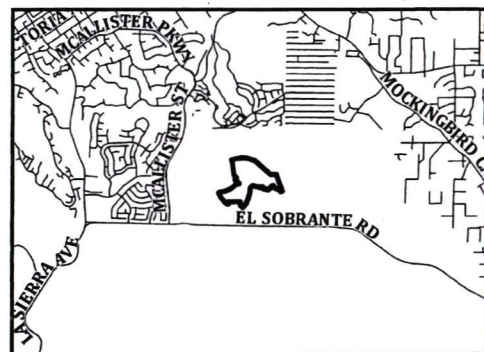
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 26-1M (HIGHLAND HILLS), COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, WAS APPROVED BY THE BOARD OF SUPERVISORS AT A REGULAR MEETING THEREOF, HELD ON 28TH DAY OF April, 2020, BY RESOLUTION NO. 2020-013


CLERK OF THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE

FILED IN THE OFFICE OF THE CLERK OF THE BOARD OF SUPERVISORS OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA. THIS 28TH DAY OF April, 2020.


CLERK OF THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE




FILED THIS 30 DAY OF April, 2020 AT THE HOUR OF 12:30 O'CLOCK PM IN BOOK 99 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE 44, IN THE OFFICE OF THE COUNTY RECORDER, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

FEE: \$9.00 NO: 2026-0131251
PETER ALDANA, ASSESSOR, COUNTY CLERK, RECORDER

BY: 
DEPUTY

LEGEND

 CFD BOUNDARY

 PARCEL LINE

XXX-XXX-XXX ASSESSOR PARCEL NUMBER

 **SPICER**
CONSULTING GROUP



0 750 1,500 3,000 Feet

THIS BOUNDARY MAP CORRECTLY SHOWS THE LOT OR PARCEL OF LAND INCLUDED WITHIN THE BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT. FOR DETAILS CONCERNING THE LINES AND DIMENSIONS OF LOTS OR PARCEL REFER TO THE COUNTY ASSESSOR MAPS FOR FISCAL YEAR 2025-26.

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. 26-1M (HIGHLAND HILLS) OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, HELD ON JUNE 2, 2026.

I, Suzanne Holland, Director of Office of Economic Development of Riverside County, acting as the election official pursuant to Resolution No. 2026-014 adopted by the Board of Supervisors of Riverside County ("Board of Supervisors") on June 2, 2026, make the following statements regarding the consolidated special elections held within and for Community Facilities District No. 26-1M (Highland Hills) of the County of Riverside, State of California (the "Community Facilities District"), on June 2, 2026 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, landscaping, street lighting, trail maintenance and drainage, and to pay expenses incidental thereto and (ii) the proposition with respect to establishing an appropriations limit for the Community Facilities District:

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

(2) The written waiver, among other matters, waived compliance with the provisions of Section 53326 of the Government Code to the effect that a special election with respect to the levy of special taxes within the Community Facilities District must be held at least ninety (90) days, but not more than one hundred eighty (180) days, following the adoption of the resolution of formation establishing the Community Facilities District and consented to the holding of the consolidated special elections on June 2, 2026.

(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. 2026-014, 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. 2026-014, 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. 2026-013 adopted by the Board of Supervisors on April 28, 2026, was delivered to the Owner. Also delivered to the Owner was an official identification envelope, with return postage affixed thereto, for returning the voted Official Ballot.

(5) Pursuant to Section 53326 of the Government Code, for purposes of the consolidated special elections, the Owner was entitled to one vote for each acre, or

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

<u>Owner</u>	<u>Acreage</u>	<u>Votes</u>
Highland Grove III – Lake Mattews, L.P.	95.96	96
Totals	95.96	96

(6) The voted Official Ballot was returned to me by the Owner, sealed in aforementioned identification envelope, prior to 9:00 a.m. on June 2, 2026. 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: 96 YES votes, 0 NO votes

Proposition B: 96 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: June 2, 2026



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

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR
COMMUNITY FACILITIES DISTRICT NO. 26-1M (HIGHLAND 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. 26-1M (Highland Hills) (the "CFD 26-1M" 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 2025-2026, 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 A and Special Tax B Requirement 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 26-1M”** means Community Facilities District No. 26-1M (Highland 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 Taxes are 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 Taxes are 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 Taxes” means the Maximum Special Tax A and/or Maximum Special Tax B to be levied in each Fiscal Year on each Parcel of Taxable Property in accordance with Section D., below to fund the Special Tax A Requirement and/or Special Tax B Requirement.

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

“Maximum Special Tax B” means for each Parcel in each Fiscal Year, the greatest amount of Special Tax B, 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 A and Maximum Special Tax B 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 Special Tax A and/or Special Tax B amounts to be levied in each Fiscal Year on each Parcel of Taxable Property in accordance with Section D., below to fund the Special Tax A Requirement and/or Special Tax B Requirement.

“Special Tax A” means the annual special tax to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property to fund the Special Tax A Requirement.

“Special Tax A Requirement” means that amount required in any Fiscal Year to: (i) pay the estimated cost of Special Tax A Services such Fiscal Year as determined by the County; (ii) fund the Special Tax A Reserve Fund to the extent that the inclusion of such amount does not increase the Special Tax A for Undeveloped Property unless requested by the developer or the amount needed to fund the Special Tax Reserve Fund up to the Special Tax A Reserve Fund Requirement; (iii) pay Administrative Expenses; (iv) pay any anticipated Special Tax A 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 A levy at the sole discretion of the Administrator.

“Special Tax A Reserve Fund Requirement” means an amount up to 150% of the anticipated annual cost of Special Tax A Services of \$265,853. The Special Tax A Reserve Fund Requirement shall increase annually beginning July 1, 2026 by the greater of two percent (2%) or the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax A in effect in the previous Fiscal Year at the sole discretion of the Administrator.

“Special Tax A Services” means services permitted under the Mello-Roos Community Facilities Act of 1982 including, without limitation, those services authorized to be funded by CFD 26-1M as set forth in the documents adopted by the Board at the time the CFD was formed.

“Special Tax B” means the annual special tax to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property to fund the Special Tax B Requirement.

“Special Tax B Requirement” means the amount required in any Fiscal Year to: (i) pay the estimated cost of Special Tax B Services, including maintenance, operation, repair, and replacement of slope landscaping areas, erosion control and drainage slopes, street lighting facilities including electricity, repair, and replacement, trails, fencing, and related improvements identified as Maintenance Set MS 4457 on the Maintenance Exhibit for Tract Map No. 38605; (ii) fund the Special Tax B Reserve Fund up to the Special Tax B Reserve Fund Requirement; (iii) pay Administrative Expenses allocable to Special Tax B; and (iv) pay any anticipated Special Tax B delinquencies based on actual delinquencies from the prior Fiscal Year.

“Special Tax B Reserve Fund Requirement” means an amount up to 150% of the anticipated annual cost of Special Tax B Services of \$41,728. The Special Tax B Reserve Fund Requirement shall increase annually beginning July 1, 2026 by the greater of two percent (2%) or the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax B in effect in the previous Fiscal Year at the sole discretion of the Administrator.

“Special Tax B Services” means a subset of the overall Services and represents the maintenance, operation, repair, and periodic replacement of certain public improvements within the CFD, limited to those improvements identified as Maintenance Set MS 4457 on the Maintenance Exhibit for Tract Map No. 38605 on file with the County, including slope landscaping areas, drainage slopes and erosion control facilities (which may function as or be part of stormwater/BMP systems), street lighting facilities including electricity, repair, and replacement, trails, fencing, and related improvements, together with all necessary administrative, inspection, utility, and incidental costs associated with providing such services.

Notwithstanding the foregoing, the Special Tax B Requirement shall be \$0 upon the termination of Special Tax B in accordance with Section I below.

“**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 Taxes 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 Taxes 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 A Requirement or the Special Tax B 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 A Requirement or the Special Tax B 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 2025-2026, 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 as determined by the Administrator.

C. MAXIMUM SPECIAL TAXES

1. Special Tax A

a. Developed Property

(i) The Maximum Special Tax A that may be levied and escalated, as explained further in Section C.1.a. (ii) 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 A
DEVELOPED PROPERTY
FISCAL YEAR 2025-2026**

Development Class	Taxable Unit	Maximum Special Tax A
Single Family Residential Property	DU	\$1,631
Multi-family Residential Property	Acre	\$3,259
Non-Residential Property	Acre	\$3,259

(ii) Increase in the Maximum Special Tax A

On each July 1, the Maximum Special Tax A identified in Table 1 above, shall increase annually beginning July 1, 2026 by the greater of two percent (2%) or the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax A in effect in the previous Fiscal Year at the sole discretion of the Administrator.

(iii) Multiple Development Classes

In some instances, a Parcel of Developed Property may contain more than one Development Class. The Maximum Special Tax A that may be levied on such Parcel shall be the sum of the Maximum Special Tax A that can be levied for each Development Class located on that Parcel. For a Parcel that contains two or more different Development Classes, 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 A has been assigned to a Parcel of Developed Property, the Maximum Special Tax A shall not be reduced in future Fiscal Years regardless of changes in Development Class, or Acreage, unless a reduction in the Maximum Special Tax A is approved by the Board for the entire CFD.

(iv) 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 A for a Parcel.

b. Approved Property

The Maximum Special Tax A for each Parcel of Approved Property shall be equal to the product of the applicable Undeveloped Property Maximum Special Tax A 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 A for Approved Property shall increase annually beginning July 1, 2026 by the greater of two percent (2%) or the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax A in effect in the previous Fiscal Year at the sole discretion of the Administrator.

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

The Maximum Special Tax A 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 A per Acre times the Acreage of such Parcel.

The Maximum Special Tax A for Taxable Property Owner's Association Property and Taxable Public Property shall increase annually beginning July 1, 2026 by the greater of two percent (2%) or the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax A in effect in the previous Fiscal Year at the sole discretion of the Administrator.

d. Undeveloped Property

The Maximum Special Tax A that may be levied and escalated for each Parcel classified as Undeveloped Property for each Parcel shall be \$3,259 per Acre.

The Maximum Special Tax A for Undeveloped Property shall increase annually beginning July 1, 2026 by the greater of two percent (2%) or the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax A in effect in the previous Fiscal Year at the sole discretion of the Administrator.

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

The Maximum Special Tax A 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.**

2. Special Tax B

a. Developed Property

(i) The Maximum Special Tax B that may be levied and escalated, as explained further in Section C.2.a. (ii) below, in each Fiscal Year for each Parcel classified as Developed Property shall be determined by reference to Table 2 below.

**TABLE 2
MAXIMUM SPECIAL TAX B
DEVELOPED PROPERTY
FISCAL YEAR 2025-2026**

Development Class	Taxable Unit	Maximum Special Tax B
Single Family Residential Property	DU	\$256
Multi-family Residential Property	Acre	\$511
Non-Residential Property	Acre	\$511

(ii) Increase in the Maximum Special Tax B

On each July 1, the Maximum Special Tax B identified in Table 2 above, shall increase annually beginning July 1, 2026 by the greater of two percent (2%) or the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax B in effect in the previous Fiscal Year at the sole discretion of the Administrator.

(iii) Multiple Development Classes

In some instances, a Parcel of Developed Property may contain more than one Development Class. The Maximum Special Tax B that may be levied on such Parcel shall be the sum of the Maximum Special Tax B that can be levied for each Development Class located on that Parcel. For a Parcel that contains two or more different Development Classes, 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 B has been assigned to a Parcel of Developed Property, the Maximum Special Tax B shall not be reduced in future Fiscal Years regardless of changes in Development Class, or Acreage, unless a reduction in the Maximum Special Tax B is approved by the Board for the entire CFD.

(iv) 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 B for a Parcel.

b. Approved Property

The Maximum Special Tax B for each Parcel of Approved Property shall be equal to the product of the applicable Undeveloped Property Maximum Special Tax B 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 B for Approved Property shall increase annually beginning July 1, 2026 by the greater of two percent (2%) or the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax B in effect in the previous Fiscal Year at the sole discretion of the Administrator.

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

The Maximum Special Tax B 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 B per Acre times the Acreage of such Parcel.

The Maximum Special Tax B for Taxable Property Owner's Association Property and Taxable Public Property shall increase annually beginning July 1, 2026 by the greater of two percent (2%) or the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax B in effect in the previous Fiscal Year at the sole discretion of the Administrator.

d. Undeveloped Property

The Maximum Special Tax B that may be levied and escalated for each Parcel classified as Undeveloped Property for each Parcel shall be \$511 per Acre.

The Maximum Special Tax B for Undeveloped Property shall increase annually beginning July 1, 2026 by the greater of two percent (2%) or the percentage increase in the Consumer Price Index of the corresponding Maximum Special Tax B in effect in the previous Fiscal Year at the sole discretion of the Administrator.

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

The Maximum Special Tax B 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 A

1. Special Tax A

Commencing with Fiscal Year 2025-2026 and for each following Fiscal Year, the Administrator shall levy Special Tax A on all Taxable Property until the amount of Special Tax A equals the Special Tax A Requirement in accordance with the following steps:

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

Second: If additional moneys are needed to satisfy the Special Tax A 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 A for Approved Property.

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

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

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

2. Special Tax B

Commencing with Fiscal Year 2025-2026 and for each following Fiscal Year, the Administrator shall levy Special Tax B on all Taxable Property until the amount of Special Tax B equals the Special Tax B Requirement in accordance with the following steps:

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

Second: If additional moneys are needed to satisfy the Special Tax B 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 B for Approved Property.

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

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

Fifth: If additional moneys are needed to satisfy the Special Tax B Requirement after the first four steps have been completed, the Special Tax B 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 Special Tax A or Special Tax B 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 Special Tax A or Special Tax B 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 pursuant to Section I, below.

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 Taxes 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 Taxes, 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. APEALS

Any taxpayer may file a written appeal of the Special Taxes 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 TAXES

The Special Taxes may not be prepaid.

I. TERM OF THE SPECIAL TAXES

The Special Tax A shall be levied annually in perpetuity unless terminated earlier by the County. Special Tax B shall be levied only until such time as the Special Tax B Services are accepted for maintenance by the County, another public agency, a property owner's association, or are otherwise funded through another community facilities district or legally available funding source, as determined by the County. Upon such determination, the levy of Special Tax B shall cease.

EXHIBIT 1A

SERVICES AND INCIDENTAL EXPENSES

Services

The services which may be funded with proceeds of the special tax of CFD No. 26-1M, as provided by Section 53313 of the Act, will include all costs attributable to the following services:

- i. Landscaping improvements that may include, but are not limited to all landscaping material and facilities within the CFD. These improvements include mulch, turf, ground cover, shrubs, trees, plants, irrigation and drainage system; 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. Trail maintenance that may include servicing and maintenance of vinyl fencing, and concrete trail; 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 located within the designated boundaries of the CFD.

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.

1 appropriations limit of \$4,000,000 for the District, subject to voter approval, and calling a special election
2 for the District for June 2, 2026 on the propositions to levy a Special Tax within the District and to
3 establish an appropriations limit for the District.

4 d. Pursuant to the terms of the Resolution of Formation and the provisions of
5 the Act, said special election was held on June 2, 2026. Each of the propositions was approved by more
6 than two-thirds of the votes cast at said special election.

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

9 Section 2. PURPOSE. The purpose of this ordinance is to provide for the levy of a
10 Special Tax within the District.

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

15 Section 4. LEVY OF SPECIAL TAXES.

16 a. By the passage of this Ordinance, the Board of Supervisors hereby
17 authorizes and levies Special Taxes within the District pursuant to Sections 53328 and 53340 of the
18 Government Code, at the rate and in accordance with the method of apportionment (the “Rate and
19 Method”) set forth in the Resolution of Formation and attached as Exhibit A hereto and made a part
20 hereof. The Special Taxes are hereby levied commencing in the fiscal year 2025-2026 and in each fiscal
21 year thereafter for the period necessary to satisfy the Special Tax Requirement (as defined in the Rate and
22 Method) and until action is taken by the Board of Supervisors, acting as the Legislative Body of the
23 District, to dissolve the District.

24 b. The Board of Supervisors, acting as the Legislative Body of the District, is
25 hereby authorized and directed each fiscal year to determine, or cause to be determined, the specific
26 Special Tax rate and amount to be levied for the next ensuing fiscal year for each parcel of real property
27
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 services described in Exhibit A
4 attached hereto, and to pay expenses incidental thereto, so long as the Special Taxes are needed to fund
5 such services; to replenish the reserve fund for the District; to pay the costs of administering the District,
6 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
11 penalties and the same procedure and sale in cases of delinquency as provided for *ad valorem* taxes. The
12 Board of Supervisors, acting as the Legislative Body of the District, is hereby authorized and directed to
13 take all actions necessary in order to affect the proper billing and collection of the Special Tax, so that the
14 Special Tax shall be levied and collected in sufficient amounts and at the times necessary to satisfy the
15 financial 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

1 **EXHIBIT A**

2
3 **SERVICES AND INCIDENTAL EXPENSES**

4
5 **Services**

6 The services which may be funded with proceeds of the Special Tax of CFD No. 26-1M, as provided by
7 Section 53313 of the Act, will include all costs attributable to the following services:

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

1 **Incidental Expenses**

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

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

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