

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



ITEM: 3.39  
(ID # 30614)

**MEETING DATE:**  
Tuesday, June 23, 2026

**FROM :** OFFICE OF ECONOMIC DEVELOPMENT

**SUBJECT:** OFFICE OF ECONOMIC DEVELOPMENT: Adoption of 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), TR 38605, District 2. [\$307,581 On-going Cost; 100% CFD No. 26-1M (Highland Hills)] (CEQA Exempt pursuant to section 15061 (b)(3) and not a project pursuant to section 15378 of the State CEQA Guidelines) (Clerk to file Notice of Exemption; Clerk to Publish and Post)

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Find that the adoption of Ordinance No. 1010 is not a project or exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15061(b)(3) (the Common Sense Exemption) and not a project pursuant to Section 15378;
2. Waive reading and Adopt Ordinance No. 1010, authorizing the Levy of a Special Tax within Community Facilities District No. 26-1M (Highland Hills) of the County of Riverside;
3. Direct the Clerk of the Board to file a Notice of Exemption with the County Clerk and the State Clearinghouse pursuant to Public Resources Code section 21152; and,
4. Direct the Clerk of the Board to publish a summary and post a copy of Ordinance No. 1010 pursuant to Government Code Section 25124(b).

**ACTION:Policy**

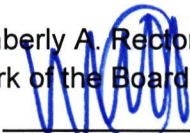
  
Suzanne Holland, Director of Office of Economic Development 6/9/2026

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Perez, seconded by Supervisor Gutierrez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended and Ordinance 1010 is adopted with waiver of the reading.

Ayes: Medina, Spiegel, Washington, Perez, and Gutierrez  
Nays: None  
Absent: None  
Date: June 23, 2026  
xc: OED, Recorder, State Clearinghouse, COB/MC/AB/AG/DL

Kimberly A. Rector  
Clerk of the Board  
By:   
Deputy

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

<b>FINANCIAL DATA</b>	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
<b>COST</b>	\$ 0	\$307,581	\$ 0	\$307,581
<b>NET COUNTY COST</b>	\$ 0	\$ 0	\$ 0	\$ 0
<b>SOURCE OF FUNDS: 100% CFD 26-1M (Highland Hills)</b>			<b>Budget Adjustment: N/A</b>	
			<b>For Fiscal Year: 26/27</b>	

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

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

Highland Grove III – Lake Mathews, L.P., are the Owners of Tentative Tract Map 38605 and have petitioned that the County of Riverside Office of Economic Development assist them in forming a CFD to cover the costs associated with the maintenance of public improvements within the district. The boundaries of CFD No. 26-1M (Highland Hills) will encompass the entire Tentative Tract Map No. 38605, which is projected to include 163 single-family residential units, none of which are currently occupied.

As approved by voters, a Special Tax is to be levied on each individual parcel located within the boundary of the CFD to fund the costs associated with services necessary to meet the increased demands placed by development upon the County, as listed in Exhibit A attached herein.

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

On April 28, 2026, the County of Riverside Board of Supervisors approved agenda item 3.17 and Resolution No. 2026-013, a resolution of intention as the initial step for forming the CFD and declared the intention of the Board of Supervisors as required by the Mello-Roos Act of 1982 to levy a Special Tax to fund the service and maintenance functions requested by the Developer.

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

On June 2, 2026 (Agenda Item 3.14), the County of Riverside Board of Supervisors held a public hearing to receive public comments and conduct a majority protest hearing concerning the establishment of the CFD and the levy of the Special Tax. At the conclusion of the public hearing, the Board of Supervisors adopted Resolution No. 2026-014, the Resolution of Formation of the CFD, which also authorized the levy of a Special Tax within the CFD subject to voter approval during a duly called election held that same day.

On June 9, 2026, the Board of Supervisors adopted Resolution No. 2026-015 declaring the results of the election regarding the proposed Special Tax and finding that 100% of the votes cast were in favor of the levy of the Special Tax. In addition, the Board introduced Riverside County Ordinance No. 1010 authorizing the levy of the Special Tax pursuant to the Rate and Method of Apportionment approved by the voters. By today's action, the Board will formally adopt the Special Tax ordinance and levy the Special Tax.

Ordinance No. 1010 was reviewed and determined to be not a project under CEQA pursuant to State CEQA Guidelines Section 15378, which states "The creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment." The adoption of the ordinance is limited to the creation of a Special Tax ordinance to provide an alternative mechanism for financing maintenance activities involving the operation, maintenance, repair, and minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features. Those existing public or private structures, facilities, mechanical equipment, or topographical features were already separately analyzed under prior CEQA documents as part of Tentative Tract Map 38605. As a result, the adoption of the ordinance would not result in significant physical impact on the environment since it would not include any changes to the existing land use or a physical degradation of the property and any such impacts would have already been previously analyzed under CEQA as part of Tract Map 38605.

Ordinance No.1010 is also exempt from CEQA pursuant to State CEQA Guidelines section 15061(b)(3) (commonsense exemption), which provides, "The activity is covered by the common-sense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA". The adoption of the ordinance is limited to the creation of a Special Tax ordinance to provide an alternative mechanism for financing maintenance activities involving the operation, maintenance, repair, and minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, which were already separately analyzed previously under CEQA as part of Tentative Tract Map 38605. As a result, there is no possibility the adoption of the ordinance would not result in any reasonably foreseeable environmental effects, and any such impacts would have been previously analyzed under prior CEQA documents as part of Tentative Tract Map 38605.

County Counsel has approved the ordinance as to form.

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

**Impact on Residents and Businesses**

The voters within the CFD have voted to authorize the special tax levied by Riverside County Ordinance No. 1010 on real property within the CFD to provide funds for authorized maintenance and service activities. The property owners within the CFD will be favorably impacted by the levy of the special tax and the associated maintenance and service activities it funds.

**ATTACHMENTS:**

- Exhibit A: Description of Services
- Ordinance No. 1010
- CEQA Notice of Exemption
- Summary of Ordinance
- CFD 26-1M Recorded Boundary Map

  
Jacqueline Ruiz, Principal Analyst 6/16/2026

  
Aaron Gettis, Chief Deputy County Counsel 6/10/2026



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.

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

13 By: Karen S. Spiegel  
14 Chair of the Board of Supervisors  
15 **KAREN SPIEGEL**

16 ATTEST:

17 CLERK OF THE BOARD:

18 By: 

19 Deputy

20 (SEAL)

21  
22 APPROVED AS TO FORM

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24 By: 

25 Stephanie Nelson

26 Deputy County Counsel  
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STATE OF CALIFORNIA        )  
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COUNTY OF RIVERSIDE        )        ss

I HEREBY CERTIFY that at a regular meeting of the Board of Supervisors of said county held on June 23, 2026, the foregoing ordinance consisting of 7 Sections was adopted by the following vote:

AYES:            Medina, Spiegel, Washington, Perez and Gutierrez  
NAYS:            None  
ABSENT:          None  
ABSTAIN:        None

DATE:            June 23, 2026

KIMBERLY A. RECTOR,  
Clerk of the Board

BY:  \_\_\_\_\_  
Deputy

SEAL

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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SUMMARY OF 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

This summary is presented pursuant to California Government Code Section 25124(b). A certified copy of the full text of Ordinance No. 1010 may be examined at the Office of the Clerk of the Board of Supervisors of the County of Riverside, located at 4080 Lemon Street 1<sup>st</sup> 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”), April 28, 2026, the Board of Supervisors (the “Board of Supervisors”) of the County of Riverside adopted Resolution No. 2026-013, stating its intention to establish a community facilities district proposed to be named Community Facilities District No. 26-1M (Highland 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, street lighting, trail maintenance and drainage (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. 1010 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 June 2, 2026, regarding the proposed levy of special taxes. Ordinance No. 1010 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. 1010 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. 1010 is the rate and method approved by voters within the District and as further reflected in Exhibit A “Rate and Method” to Ordinance No. 1010. 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. 1010 takes effect immediately upon its adoption in accordance with section 25123(c) of the Government Code.



**Peter Aldana**  
**Riverside County**  
**Assessor-County Clerk-Recorder**  
2724 Gateway Drive  
Riverside, CA 92507  
(951) 486-7000  
www.rivcoacr.org

**Receipt: 26-186225**

<b>Product</b>	<b>Name</b>	<b>Extended</b>
FISH	CLERK FISH AND GAME FILINGS	\$50.00
	# Pages	2
	Document #	E-202600539
	Filing Type	7
	State Fee Prev Charged	false
	No Charge Clerk Fee	false
	F&G Notice of Exemption Fee	\$50.00
<b>Total</b>		<b>\$50.00</b>
Tender (On Account)		\$50.00
Account#	RCOECDEV	
Account Name	RCOECDEV - OFFICE OF ECONOMIC DEVELOPMENT-CSA/CFD	
Balance	\$200.00	
Comment	SST3781S2374	



2026 ENVIRONMENTAL DOCUMENT FILING FEE CASH RECEIPT

DFW 753.5a (REV. 01/01/26) Previously DFG 753.5a

RECEIPT NUMBER: 26-186225
STATE CLEARINGHOUSE NUMBER (If applicable)

SEE INSTRUCTIONS ON REVERSE. TYPE OR PRINT CLEARLY.

LEAD AGENCY COUNTY OF RIVERSIDE OFFICE OF ECONOMIC COUNTY/STATE AGENCY OF FILING RIVERSIDE	LEAD AGENCY EMAIL MSULLIVAN@RIVCO.ORG	DATE 06/23/2026
PROJECT TITLE OFFICE OF ECONOMIC DEVELOPMENT, COMMUNITY FACILITIES DISTRICT (CFD) NO. 26-1M (HIGHLAND HILLS) OF THE COUNTY OF RIVERSIDE; ADOPTION OF ORDINANCE NO. 1010, AN		DOCUMENT NUMBER E-202600539

PROJECT APPLICANT NAME COUNTY OF RIVERSIDE OFFICE OF ECONOMIC	PROJECT APPLICANT EMAIL MSULLIVAN@RIVCO.ORG	PHONE NUMBER (951) 955-4820
PROJECT APPLICANT ADDRESS 3403 10TH STREET,	CITY RIVERSIDE	STATE CA

PROJECT APPLICANT ADDRESS 3403 10TH STREET,	CITY RIVERSIDE	STATE CA	ZIP CODE 92501
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PROJECT APPLICANT (Check appropriate box)

- Local Public Agency    
  School District    
  Other Special District    
  State Agency    
  Private Entity

CHECK APPLICABLE FEES:

- Environmental Impact Report (EIR) \$4,227.50 \$ \_\_\_\_\_  
 Mitigated/Negative Declaration (MND)(ND) \$3,043.75 \$ \_\_\_\_\_  
 Certified Regulatory Program (CRP) document - payment due directly to CDFW \$1,437.25 \$ \_\_\_\_\_

- Exempt from fee  
 Notice of Exemption (attach)  
 CDFW No Effect Determination (attach)  
 Fee previously paid (attach previously issued cash receipt copy)

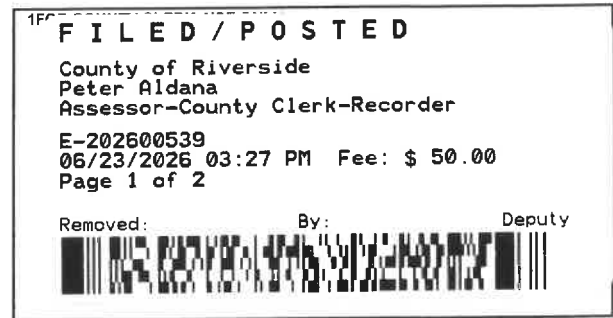
- Water Right Application or Petition Fee (State Water Resources Control Board only) \$850.00 \$ \_\_\_\_\_  
 County documentary handling fee \$ \_\_\_\_\_ \$50.00  
 Other \$ \_\_\_\_\_

PAYMENT METHOD:

- Cash     Credit     Check     Other   
 TOTAL RECEIVED \$ \_\_\_\_\_ \$50.00

SIGNATURE <b>X</b> <i>I Tejada</i>	AGENCY OF FILING PRINTED NAME AND TITLE Deputy Isabel Tejada
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County of Riverside  
Office of Economic Development  
3403 10<sup>th</sup> Street, Riverside, CA



## NOTICE OF EXEMPTION

May 27, 2026

**Project Name:** Office of Economic Development, Community Facilities District (CFD) No. 26-1M (Highland Hills) of the County of Riverside; Adoption of Ordinance No. 1010, an Ordinance of the County of Riverside Authorizing the Levy of a Special Tax Within the Highland Hills CFD

**Project Number:** ED299126001

**Project Location:** Community Facilities District No. 26-1M Highland Hills, TR38605, County of Riverside

**Description of Project:** The State Legislature enacted the Mello-Roos Act of 1982, to assist public agencies in financing certain capital improvements, public services, and maintenance activities. On January 27, 2015, the Board of Supervisors revised Board Policy B-12 entitled “Land Secured Financing Districts” to include “Service and Maintenance CFDs” to fund the ongoing maintenance of landscape, storm water Best Management Practices (BMP), street lighting, or other similar improvements and set goals and policies concerning Community Facilities Districts (CFD). As approved by voters, a special tax is to be levied on each individual parcel located within the boundary of the CFD to fund the costs associated with ongoing maintenance of landscape, storm water Best Management Practices (BMP), street lighting, or other similar improvements located within the designated boundaries of the CFD.

Highland Grove III – Lake Mathews, L.P., are the Owners of Tentative Tract Map 38605 and have petitioned that the County of Riverside Office of Economic Development assist them in forming a CFD to cover the costs associated with the maintenance of public improvements within the district. The boundaries of CFD No. 26-1M (Highland Hills) will encompass the entire Tentative Tract Map No. 38605, which is projected to include 163 single-family residential units, none of which are currently occupied.

On April 28, 2026, the County of Riverside Board of Supervisors approved Resolution No. 2026-013, a Resolution of Intention as the initial step for forming the CFD and declared the intention of the Board of Supervisors as required by the Mello-Roos Act of 1982 to levy a special tax to fund the service and maintenance functions requested by the Developer. 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 concerning the establishment of the CFD and the levy of the special tax. At the conclusion of the public hearing, the Board of Supervisors adopted Resolution No. 2026-14, the Resolution of Formation of the CFD, which also authorized the levy of a special tax within the CFD subject to voter approval during a duly called election held that same day. On June 9, 2026, the Board of Supervisors adopted Resolution No. 2026-015 declaring the results of the election regarding the proposed special tax and finding that 100% of the votes cast were in favor of the levy of the special tax.

Riverside County Ordinance No. 1010, which authorizes the levy of a special tax within the Highland Hills CFD to fund services for maintenance and service activities, was reviewed and determined to be not a project under the California Environmental Quality Act (CEQA) pursuant to 15378. The Ordinance includes the creation of a funding mechanism to provide maintenance and service activities within the CFD. No additional direct or indirect physical environmental impacts are anticipated from the provision of maintenance services identified in Riverside County Ordinance No. 1010.

**Name of Public Agency Approving Project:** County of Riverside

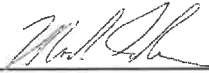
**Name of Person or Agency Carrying Out Project:** County of Riverside Office of Economic Development

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

**Reasons Why Project is Exempt:** The direct effects of the adoption of the Ordinance to levy a special tax within the Highland Hills CFD would not constitute a project as defined by CEQA Section 21065 and State CEQA Guidelines Section 15378. Section 15378 (b) provides a list of five activities that are not considered a project under CEQA. The proposed Ordinance would qualify under two conditions identified in Section 15378 (b): (4) the creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant impact on the environment and (5) organizational or administrative activity of the government that will not result in direct or indirect physical changes to the environment. The adoption of the Ordinance by the Board satisfies these conditions as the Ordinance would provide a funding mechanism to provide ongoing maintenance of existing buildings that would not result in direct or indirect physical changes to the environment. Based on the above conditions, the adoption of the Ordinance is not a project as defined by CEQA Section 21065 and State CEQA Guidelines Section 15378. The adoption of the ordinance is limited to the creation of a special tax ordinance to provide an alternative mechanism for financing maintenance activities involving the operation, maintenance, repair, and minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features. Those public or private structures, facilities, mechanical equipment, or topographical features were already separately analyzed under prior CEQA documents and approved as part of Tract 38605. As a result, the adoption of the ordinance would not result in significant physical impact on the environment since it would not include any changes to the existing land use or a physical degradation of the property and any such impacts would have already been previously analyzed under CEQA as part of Tract 38605.

- **Section 15061 (b) (3) – “Common Sense” Exemption:** In accordance with CEQA, the use of the Common Sense Exemption is based on the “general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment.” State CEQA Guidelines, Section 15061(b) (3). The use of this exemption is appropriate if “it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.” *Ibid*. This determination is an issue of fact and if sufficient evidence exists in the record that the activity cannot have a significant effect on the environment, then the exemption applies and no further evaluation under CEQA is required. See *No Oil, Inc. v. City of Los Angeles* (1974) 13 Cal. 3d 68. The ruling in this case stated that if a project falls within a category exempt by administrative regulation or ‘it can be seen with certainty that the activity in question will not have a significant effect on the environment’, no further agency evaluation is required. With certainty, there is no possibility that the project may have a significant effect on the environment. The adoption of the ordinance is limited to the creation of a special tax ordinance to provide an alternative mechanism for financing maintenance activities involving the operation, maintenance, repair, and minor alteration of public or private structures, facilities, mechanical equipment, or topographical features, which were already separately analyzed previously under CEQA as part of Tract 38605. As a result, there is no possibility the adoption of the ordinance would not result in any reasonably foreseeable environmental effects and any such impacts would have been previously analyzed under prior CEQA documents approved as part of Tract 38605. Therefore, in no way, would the project as proposed have the potential to cause a significant environmental impact and the project is exempt from further CEQA analysis.

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

**Signed:**  **Date:** 5-27-2026  
Mike Sullivan, County of Riverside

### Document Root (Read-Only)

**Selected Document**

**2026061100 - NOE - Office of Economic Development, Community Facilities District (CFD) No. 26-1M (Highland Hills) of the County of Riverside; Adoption of Ordinance No. 1010, an Or**

Riverside County  
 Created - 6/24/2026 | Submitted - 6/24/2026 | Posted - 6/24/2026 | Received - 6/24/2026 | Published - 6/24/2026  
 Whitney N Mayo

**Document Details**

**Public Agency**  
Riverside County

**Document Type**  
Notice of Exemption

**Document Status**  
Published

**Title**  
Office of Economic Development, Community Facilities District (CFD) No. 26-1M (Highland Hills) of the County of Riverside; Adoption of Ordinance No. 1010, an Or

**Document Description**

Full Title: Office of Economic Development, Community Facilities District (CFD) No. 26-1M (Highland Hills) of the County of Riverside; Adoption of Ordinance No. 1010, an Ordinance of the County of Riverside Authorizing the Levy of a Special Tax Within the Highland Hills CFD

The State Legislature enacted the Mello-Roos Act of 1982, to assist public agencies in financing certain capital improvements, public services, and maintenance activities. On January 27, 2015, the Board of Supervisors revised Board Policy B-12 entitled "Land Secured Financing Districts" to include "Service and Maintenance CFDs" to fund the ongoing maintenance of landscape, storm water Best Management Practices (BMP), street lighting, or other similar improvements and set goals and policies concerning Community Facilities Districts (CFD). As approved by voters, a special tax is to be levied on each individual parcel located within the boundary of the CFD to fund the costs associated with ongoing maintenance of landscape, storm water Best Management Practices (BMP), street lighting, or other similar improvements located within the designated boundaries of the CFD.

Highland Grove III – Lake Mathews, L.P., are the Owners of Tentative Tract Map 38605 and have petitioned that the County of Riverside Office of Economic Development assist them in forming a CFD to cover the costs associated with the maintenance of public improvements within the district. The boundaries of CFD No. 26-1M (Highland Hills) will encompass the entire Tentative Tract Map No. 38605, which is projected to include 163 single-family residential units, none of which are currently occupied.

On April 28, 2026, the County of Riverside Board of Supervisors approved Resolution No. 2026-013, a Resolution of Intention as the initial step for forming the CFD and declared the intention of the Board of Supervisors as required by the Mello-Roos Act of 1982 to levy a special tax to fund the service and maintenance functions requested by the Developer. 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 concerning the establishment of the CFD and the levy of the special tax. At the conclusion of the public hearing, the Board of Supervisors adopted Resolution No. 2026-14, the Resolution of Formation of the CFD, which also authorized the levy of a special tax within the CFD subject to voter approval during a duly called election held that same day. On June 9, 2026, the Board of Supervisors adopted Resolution No. 2026-015 declaring the results of the election regarding the proposed special tax and finding that 100% of the votes cast were in favor of the levy of the special tax.

Riverside County Ordinance No. 1010, which authorizes the levy of a special tax within the Highland Hills CFD to fund services for maintenance and service activities, was reviewed and determined to be not a project under the California Environmental Quality Act (CEQA) pursuant to 15378. The Ordinance includes the creation of a funding mechanism to provide maintenance and service activities within the CFD. No additional direct or indirect physical environmental impacts are anticipated from the provision of maintenance services identified in Riverside County Ordinance No. 1010.

**Attachments** (Upload Project Documents)

**3.39 - NOE - Ordinance No. 1010, Highland Hills CFD.pdf**

**Contacts**

COUNTY OF RIVERSIDE OFFICE OF ECONOMIC DEVELOPMENT - *Mike Sullivan*

3403 10th street  
 Riverside, CA 92501  
 Phone : (951) 955-4820  
 msullivan@rivco.org

**Regions**

Southern California

**Counties**

Riverside

**Cities**

unincorporated area of Riverside County

**Location Details**

**Other Location Info**

Community Facilities District No. 26-1M Highland Hills, TR38605, County of Riverside

**Notice of Exemption**

**Exempt Status**

Other

**Type, Section Number or Code Number**

15061(b)(3)

**Reasons why project is exempt**

The direct effects of the adoption of the Ordinance to levy a special tax within the Highland Hills CFD would not constitute a project as defined by CEQA Section 21065 and State CEQA Guidelines Section 15378. Section 15378 (b) provides a list of five activities that are not considered a project under CEQA. The proposed Ordinance would qualify under two conditions identified in Section 15378 (b): (4) the creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant impact on the environment and (5) organizational or administrative activity of the government that will not result in direct or indirect physical changes to the environment. The adoption of the Ordinance by the Board satisfies these conditions as the Ordinance would provide a funding mechanism to provide ongoing maintenance of existing buildings that would not result in direct or indirect physical changes to the environment. Based on the above conditions, the adoption of the Ordinance is not a project as defined by CEQA Section 21065 and State CEQA Guidelines Section 15378. The adoption of the ordinance is limited to the creation of a special tax ordinance to provide an alternative mechanism for financing maintenance activities involving the operation, maintenance, repair, and minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features. Those public or private structures, facilities, mechanical equipment, or topographical features were already separately analyzed under prior CEQA documents and approved as part of Tract 38605. As a result, the adoption of the ordinance would not result in significant physical impact on the environment since it would not include any changes to the existing land use or a physical degradation of the property and any such impacts would have already been previously analyzed under CEQA as part of Tract 38605.

In accordance with CEQA, the use of the Common Sense Exemption is based on the "general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment." State CEQA Guidelines, Section 15061(b) (3). The use of this exemption is appropriate if "it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment." Ibid. This determination is an issue of fact and if sufficient evidence exists in the record that the activity cannot have a significant effect on the environment, then the exemption applies and no further evaluation under CEQA is required. See *No Oil, Inc. v. City of Los Angeles* (1974) 13 Cal. 3d 68. The ruling in this case stated that if a project falls within a category exempt by administrative regulation or 'it can be seen with certainty that the activity in question will not have a significant effect on the environment', no further agency evaluation is required. With certainty, there is no possibility that the project may have a significant effect on the environment. The adoption of the ordinance is limited to the creation of a special tax ordinance to provide an alternative mechanism for financing maintenance activities involving the operation, maintenance, repair, and minor alteration of public or private structures, facilities, mechanical equipment, or topographical features, which were already separately analyzed previously under CEQA as part of Tract 38605. As a result, there is no possibility the adoption of the ordinance would not result in any reasonably foreseeable environmental effects and any such impacts would have been previously analyzed under prior CEQA documents approved as part of Tract 38605. Therefore, in no way, would the project as proposed have the potential to cause a significant environmental impact and the project is exempt from further CEQA analysis.

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

**County Clerk(s)**

Riverside

Signature

Title

Date



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**SCH Number 2026061100**

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**From** Thomas Hubbard <THOMAS.HUBBARD@lci.ca.gov>

**Date** Wed 6/24/2026 2:37 PM

**To** Mayo, Whitney <WMayo@Rivco.org>

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Please contact the SCH with any questions at [state.clearinghouse@lci.ca.gov](mailto:state.clearinghouse@lci.ca.gov).

Thank you,



**Thomas Hubbard** | *he/him/his*

Jr. CEQA Analyst

**Governor's Office of Land Use & Climate Innovation**

[Thomas.hubbard@lci.ca.gov](mailto:Thomas.hubbard@lci.ca.gov)

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## 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.

Copy

99/44

# PROPOSED BOUNDARY MAP

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

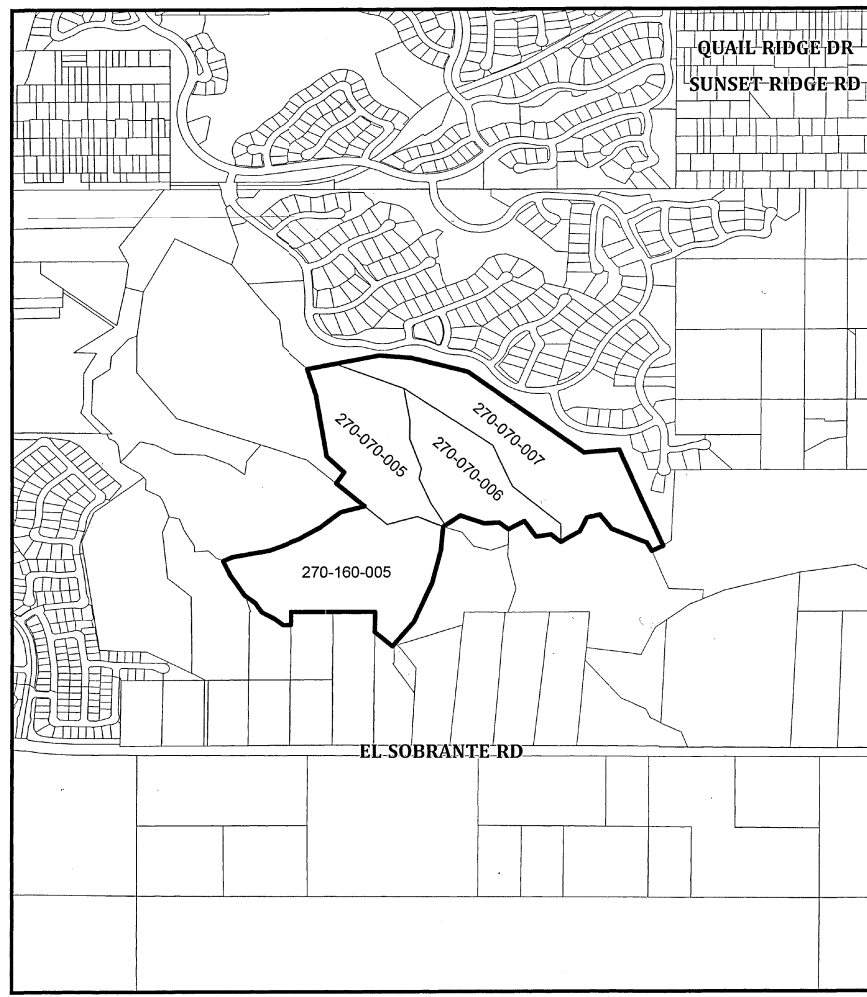
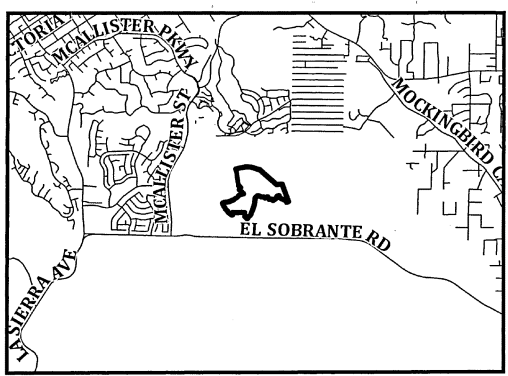
### COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

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 28<sup>TH</sup> 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 28<sup>TH</sup> 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 P.M 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: Sodun Jones  
DEPUTY

### LEGEND

-  CFD BOUNDARY
-  PARCEL LINE
- XXX-XXX-XXX ASSESSOR PARCEL NUMBER

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.

