



## **CITY OF MENIFEE**

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SUBJECT: Annual Ordinance Introductions for Community Facilities District (Maintenance) to Levy Special Taxes for Fiscal Year 2023/2024

MEETING DATE: June 7, 2023

TO: Mayor and City Council

PREPARED BY: Lauri Lockwood, Financial Analyst

REVIEWED BY: Margarita Cornejo, Acting Chief Financial Officer

APPROVED BY: Armando G. Villa, City Manager

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### **RECOMMENDED ACTION**

1. Introduce an ordinance amending Ordinance No. 2012-103 and levying special taxes to be collected during Fiscal Year 2023/2024 to pay the annual costs of the maintenance and servicing of streetlights, parks, parkways, streets, roads, and open space, the operation and maintenance of storm drainage systems, a reserve fund for capital replacement, and administrative expenses with respect to City of Meniffee Community Facilities District No. 2012-1 (Audie Murphy Ranch); and
2. Introduce an ordinance amending Ordinance No. 2012-108 and levying special taxes to be collected during Fiscal Year 2023/2024 to pay the annual costs of the maintenance and servicing of streetlights, parks, parkways, streets, roads, and open space, the operation and maintenance of storm drainage systems, a reserve fund for capital replacement, and administrative expenses with respect to City of Meniffee Community Facilities District No. 2012-2 (Hidden Hills); and
3. Introduce an ordinance amending Ordinance No. 2014-153 and levying special taxes to be collected during Fiscal Year 2023/2024 to pay the annual costs of the maintenance and servicing of streetlights, parks, parkways, streets, roads, and open space, the operation and maintenance of storm drainage systems, a reserve fund for capital replacement, and administrative expenses with respect to City of Meniffee Community Facilities District No. 2014-1 (Town Center); and
4. Introduce an ordinance amending Ordinance No. 2014-154 and levying special taxes to be collected during Fiscal Year 2023/2024 to pay the annual costs of the maintenance and servicing of streetlights, parks, parkways, streets, roads, and open space, the operation and maintenance of storm drainage systems, a reserve fund for capital replacement, and

administrative expenses with respect to City of Menifee Community Facilities District No. 2014-2 (Commerce Pointe); and

5. Introduce an ordinance amending Ordinance No. 2015-173 and levying special taxes to be collected during Fiscal Year 2023/2024 to pay the annual costs of the maintenance and servicing of streetlights, parks, parkways, streets, roads, and open space, the operation and maintenance of storm drainage systems, a reserve fund for capital replacement, and administrative expenses with respect to City of Menifee Community Facilities District No. 2015-2 (Maintenance Services); and
6. Introduce an ordinance amending Ordinance No. 2017-231 and levying special taxes to be collected during Fiscal Year 2023/2024 to pay the annual costs of the maintenance and servicing of landscaping, lighting, water quality improvements, graffiti, streets, street sweeping, parks and trail maintenance, a reserve fund for capital replacement, and administrative expenses with respect to City of Menifee Community Facilities District No. 2017-1 (Maintenance Services).

## **DISCUSSION**

Each fiscal year, the City of Menifee places charges on the tax roll for multiple Community Facilities Districts (CFDs) located within the City. The CFDs and expected charges for Fiscal Year (FY) 2023/2024 are summarized in the attached Preliminary Summary of Fixed Charges. The special taxes collected from each of these CFDs pays for the ongoing maintenance costs authorized under the "Mello-Roos Community Facilities Act of 1982," Government Code section 53311 *et seq.* (Act).

The services that may be funded with proceeds of the special tax, as provided by Section 53313 of the Act, include without limitation all costs attributable to maintaining, servicing, cleaning, repairing and/or replacing landscaped areas in public street rights-of-way, public landscaping, parks, open spaces and other similar landscaped areas officially dedicated for public use, street sweeping and pavement management, street lighting and traffic signal maintenance, graffiti removal and abatement, flood and storm protection services and the operation of storm drainage systems.

In addition to the costs of the foregoing services, proceeds of the special tax may be expended to pay administrative expenses and for the collection of reserve funds.

The City is required by the County of Riverside to provide a certified Ordinance to the Auditor/Controller's office each year to confirm the special tax levies within each CFD for the annual property tax roll.

Included with each amendment is a provision specifying that special taxes for these CFDs may be levied by resolution, beginning with FY 2024/2025. The use of a resolution for this purpose is authorized by Government Code section 53340. Switching from ordinance amendment to resolution will allow for a more streamlined and efficient process.

A Public Hearing Notice was published on May 28, 2023, pursuant to Government Code Section 6066. As of the date of this Staff Report, no comments were received from the public regarding this matter. The Second Reading and adoption of these Ordinances is scheduled to occur during the July 19, 2023, City Council Meeting.

A preliminary summary of fixed charges by district is attached.

**STRATEGIC PLAN OBJECTIVE**

Regular City Business

**FISCAL IMPACT**

There is no fiscal impact to the City's General Fund. Each maintenance district funds the services provided and a preliminary summary of fixed charges by district is attached. The proposed CFD budgets are incorporated as part of the proposed FY 2023/2024 Citywide Budget.

**ATTACHMENTS**

1. Preliminary Summary of Fixed Charges by District FY 2023/2024
2. Ordinance – CFD 2012-1 Audie Murphy Ranch
3. Ordinance – CFD 2012-2 Hidden Hills
4. Ordinance – CFD 2014-1 Town Center
5. Ordinance – CFD 2014-2 Commerce Pointe
6. Ordinance – CFD 2015-2 Maintenance Services
7. Ordinance – CFD 2017-1 Maintenance Services