CITY OF MENIFEE

SUBJECT: Second Reading of the Community Facility District Levy Ordinance Amendments Adoption

MEETING DATE: July 7, 2021

TO: Mayor and City Council

PREPARED BY: Margarita Cornejo, Financial Services Manager

REVIEWED BY: Wendy Preece, Deputy Finance Director

APPROVED BY: Armando G. Villa, City Manager

RECOMMENDED ACTION

1. Adopt an Ordinance amending Ordinance No. 2012-103 and levying special taxes to be collected during Fiscal Year 2021-22 to pay the annual costs of the maintenance and servicing of street lights, 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. 2012-1 (Audie Murphy Ranch); and

2. Adopt an Ordinance amending Ordinance No. 2012-108 and levying special taxes to be collected during Fiscal Year 2021-22 to pay the annual costs of the maintenance and servicing of street lights, 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. 2012-2 (Hidden Hills); and

3. Adopt an Ordinance amending Ordinance No. 2014-153 and levying special taxes to be collected during Fiscal Year 2021-22 to pay the annual costs of the maintenance and servicing of street lights, 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. 2014-1 (Town Center); and

4. Adopt an Ordinance amending Ordinance No. 2014-154 and levying special taxes to be collected during Fiscal Year 2021-22 to pay the annual costs of the maintenance and servicing of street lights, 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. Adopt an Ordinance amending Ordinance No. 2015-173 and levying special taxes to be collected during Fiscal Year 2021-22 to pay the annual costs of the maintenance and servicing of street lights, 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. Adopt an Ordinance amending Ordinance No. 2017-231 and levying special taxes to be collected during Fiscal Year 2021-22 to pay the maintenance and servicing of landscaping, lighting water quality improvements, graffiti, streets, streets sweeping, parks and trail maintenance, a reserve fund for capital replacement administrative expenses with respect to City of Menifee Community Facilities District No. 2017-1 (Maintenance Services).

DISCUSSION

A public hearing was held, and the City Council approved the introduction of the amended Ordinances at its meeting held on June 16, 2021.

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 2020-21 are summarized in Attachment A. 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", being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (Act).

The services, which may be funded with proceeds of the special tax, as provided by Section 53313 of the Act, without limitation , include all costs attributable to maintaining, servicing, cleaning, repairing and/or replacing landscaped areas in public street right-of-way's, 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 forgoing services, proceeds of the special tax may be expended to pay administrative expenses and for the collection of reserve funds.

By continuing to administer and enroll the special taxes for each of the CFDs, the City is able to continue to provide the maintenance and services currently offered to the properties located within each CFD.

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.

A public hearing notice was published June 6, 2021; pursuant to Government Code Section 6066, and no comments were received from the public regarding this matter.

STRATEGIC PLAN OBJECTIVE

Regular City Business

FISCAL IMPACT

The fiscal impact of the various proposed CFD special taxes will result in dedicated special tax revenue (estimated at $3,442,985) and incorporated as part of the Fiscal Year 2021/22 budget. Each maintenance district funds the services provided and a preliminary summary of fixed charges by district is attached. No additional budget appropriation action(s) is required for this item.

ATTACHMENTS

1. CFD Preliminary Summary of Fixed Charges
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