

City Council Chambers
29844 Haun Road
Menifee, CA 92586



**Menifee City Council
Regular Meeting Agenda**

**Wednesday, June 19, 2024
5:00 PM Closed Session
6:00 PM Regular Meeting**

**Bill Zimmerman, Mayor
Bob Karwin, District 1
Ricky Estrada, District 2
Lesa Sobek, District 3
Dean Deines, District 4**

AGENDA

**Armando G. Villa, City Manager
Jeffrey T. Melching, City Attorney
Stephanie Roseen, Acting City Clerk**

10.5 Annual Levy for Bonded Community Facilities Districts for Fiscal Year 2024/2025

RECOMMENDED ACTION

Adopt a resolution ordering the levy and collection of special taxes within each of the following Community Facilities Districts: 2019-1, Meadow Run; 2020-1, McCall Mesa; 2020-2, Del Oro; 2021-1, Banner Park; 2021-2, Sumac Ridge; 2022-1, Quartz Ranch; 2022-2, McLaughlin Village; 2022-3, Legado Improvement Area IA 1 and IA 2; 2023-1, Rockport; and 2023-2, Cimarron Ridge IA 1 and IA 2, for Fiscal Year 2024/2025.



CITY OF MENIFEE

SUBJECT: Annual Levy for Bonded Community Facilities Districts for Fiscal Year 2024/2025

MEETING DATE: June 19, 2024

TO: Mayor and City Council

PREPARED BY: Lauri Lockwood, Financial Analyst

REVIEWED BY: Travis Hickey, Chief Financial Officer

APPROVED BY: Armando G. Villa, City Manager

RECOMMENDED ACTION

1. Adopt a resolution ordering the levy and collection of special taxes within each of the following Community Facilities Districts: 2019-1, Meadow Run; 2020-1, McCall Mesa; 2020-2, Del Oro; 2021-1, Banner Park; 2021-2, Sumac Ridge; 2022-1, Quartz Ranch; 2022-2, McLaughlin Village; 2022-3, Legado Improvement Area IA 1 and IA 2; 2023-1, Rockport; and 2023-2, Cimarron Ridge IA 1 and IA 2, for Fiscal Year 2024/2025.

DISCUSSION

The Fiscal Year (FY) 2024/2025 budget for each Community Facilities District (CFD) is designed to cover principal and interest payments, construction of future facilities, administrative costs, and/or service costs. These CFDs have been formed over the last few years at the request of the corresponding developer to finance certain public improvements through the levy of special taxes and the issuance of bonds.

To date, bonds have been issued for:

- CFD 2019-1, Meadow Run, FY 2021/2022
- CFD 2020-1, McCall Mesa, FY 2021/2022
- CFD 2020-2, Del Oro, FY 2022/2023
- CFD 2021-1, Banner Park, FY 2022/2023
- Additional bonds for CFD 2020-1, McCall Mesa, FY 2022/2023
- Additional bonds for CFD 2021-1, Banner Park, FY 2023/2024
- CFD 2021-2, Sumac Ridge, FY 2023/2024
- CFD 2022-1, Quartz Ranch, FY 2023/2024

Any funds collected prior to bonds being issued after administration costs will be used to finance public improvements included within the CFD.

Table 1 below shows the annual levy amounts needed for each district to cover district obligations for FY 2024/2025.

TABLE 1: CITY OF MENIFEE COMMUNITY FACILITIES DISTRICTS PRELIMINARY SUMMARY OF FIXED CHARGES FOR FISCAL YEAR 2024/2025

District	Name	County Fund No.	Levied Parcels	Preliminary FY 2024/2025 Levy
CFD 2019-1	Meadow Run	68-0262-FC	65	\$163,247.10
CFD 2020-1	McCall Mesa	68-0263-FC	258	\$817,359.22
CFD 2020-2	Del Oro	68-0264-FC	68	\$191,368.56
CFD 2021-1	Banner Park	68-0410-FC	256	\$732,382.09
CFD 2021-2	Sumac Ridge	68-0411-FC	175	\$617,738.73
CFD 2022-1	Quartz Ranch	68-0412-FC	345	\$1,117,658.02
CFD 2022-2	McLaughlin Village	68-0413-FC	57	\$148,436.99
CFD 2022-3 IA 1	Legado	68-0414-FC	8	\$5,000.00
CFD 2022-3 IA 2	Legado	68-0541-FC	7	\$5,000.00
CFD 2023-1	Rockport	68-0542-FC	181	\$582,603.60
CFD 2023-2 IA 1	Cimarron Ridge	68-0543-FC	286	\$287,402.34
CFD 2023-2 IA 2	Cimarron Ridge	68-0544-FC	1	\$10,435.62
				\$4,678,632.27

The County of Riverside requires the resolution as confirmation for the special tax amounts to be added to the assessment rolls. The special taxes were previously established with the adoption of the Ordinance associated with each of the CFDs, and those are not changing as a result of this action. The City charges administrative fees and an amount sufficient to cover direct costs as well as the collection for annual debt services and/or construction of future facilities to the various special districts.

STRATEGIC PLAN OBJECTIVE

Regular City Business

FISCAL IMPACT

There is no fiscal impact to the General Fund associated with this item. Each district is funded by tax assessments on parcels within the district, which can only be used for administrative costs and improvements within the respective district. The funds are held within custodial accounts that are restricted for these specific purposes.

ATTACHMENTS

1. Resolution Ordering Levy and Collection

RESOLUTION NO. 24-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENIFEE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ORDERING THE LEVY AND COLLECTION OF SPECIAL TAXES WITHIN EACH COMMUNITY FACILITIES DISTRICT LISTED BELOW FOR FISCAL YEAR 2024/2025

WHEREAS, the City Council of the City of Menifee (the "City"), has heretofore instituted and conducted proceedings under the terms and provisions of the Mello-Roos Community Facilities Act of 1982, being Chapter 25 of the State of California Government Code for the acquisition and construction of certain public works of improvements, together with appurtenances and appurtenant work, and to finance a portion of the costs of providing services, as applicable, in special tax districts designated as:

COMMUNITY FACILITIES DISTRICT NO. 2019-1, MEADOW RUN

COMMUNITY FACILITIES DISTRICT NO. 2020-1, MCCALL MESA

COMMUNITY FACILITIES DISTRICT NO. 2020-2, DEL ORO

COMMUNITY FACILITIES DISTRICT NO. 2021-1, BANNER PARK

COMMUNITY FACILITIES DISTRICT NO. 2021-2, SUMAC RIDGE

COMMUNITY FACILITIES DISTRICT NO. 2022-1, QUARTZ RANCH

COMMUNITY FACILITIES DISTRICT NO. 2022-2, MCLAUGHLIN VILLAGE

COMMUNITY FACILITIES DISTRICT NO. 2022-3 IMPROVEMENT AREA 1, LEGADO

COMMUNITY FACILITIES DISTRICT NO. 2022-3 IMPROVEMENT AREA 2, LEGADO

COMMUNITY FACILITIES DISTRICT NO. 2023-1, ROCKPORT

**COMMUNITY FACILITIES DISTRICT NO. 2023-2 IMPROVEMENT AREA 1, CIMARRON
RIDGE**

**COMMUNITY FACILITIES DISTRICT NO. 2023-2 IMPROVEMENT AREA 2, CIMARRON
RIDGE**

(herein after referred to as the "CFD"); and

WHEREAS, Resolution No. 19-833 adopted the "Resolution of Intention" on September 18, 2019, Resolution No. 19-848 entitled "A Resolution Establishing Community Facilities District No. 2019-1," adopted November 6, 2019; and Ordinance No. 2019-283 entitled "An Ordinance of the City Council of the City of Menifee, California Acting in its Capacity as the Legislative Body of Community Facilities District No. 2019-1, Meadow Run, Authorizing the Levy of Special Taxes," adopted November 20, 2019; and

WHEREAS, Resolution No. 20-891 adopted the "Resolution of Intention" on May 20, 2020, Resolution No. 20-941 entitled "A Resolution Establishing Community Facilities District No. 2020-1," adopted August 5, 2020; and Ordinance No. 2020-311 entitled "An Ordinance of the City Council of the City of Menifee, California Acting in its Capacity as the Legislative Body of Community Facilities District No. 2020-1, McCall Mesa, Authorizing the Levy of Special Taxes," adopted August 19, 2020; and

WHEREAS, Resolution No. 20-889 adopted the "Resolution of Intention" on May 20, 2020, Resolution No. 20-944 entitled "A Resolution Establishing Community Facilities District No. 2020-2," adopted August 5, 2020; and Ordinance No. 2020-312 entitled "An Ordinance of the City Council of the

City of Menifee, California Acting in its Capacity as the Legislative Body of Community Facilities District No. 2020-2, Del Oro, Authorizing the Levy of Special Taxes," adopted August 19, 2020; and

WHEREAS, Resolution No. 21-1013 adopted the "Resolution of Intention" on April 21, 2021, Resolution No. 21-1030 entitled "A Resolution Establishing Community Facilities District No. 2021-1," adopted June 2, 2021; and Ordinance No. 2021-319 entitled "An Ordinance of the City Council of the City of Menifee, California Acting in its Capacity as the Legislative Body of Community Facilities District No. 2021-1, Banner Park, Authorizing the Levy of Special Taxes," adopted June 16, 2021; and

WHEREAS, Resolution No. 21-1066 adopted the "Resolution of Intention" on September 15, 2021, Resolution No. 21-1095 entitled "A Resolution Establishing Community Facilities District No. 2021-2," adopted November 3, 2021; and Ordinance No. 2021-330 entitled "An Ordinance of the City Council of the City of Menifee, California Acting in its Capacity as the Legislative Body of Community Facilities District No. 2021-2, Sumac Ridge, Authorizing the Levy of Special Taxes," adopted November 17, 2021; and

WHEREAS, Resolution No. 22-1133 adopted the "Resolution of Intention" on April 6, 2022, Resolution No. 22-1150 entitled "A Resolution Establishing Community Facilities District No. 2022-1," adopted May 18, 2022; and Ordinance No. 2022-341 entitled "An Ordinance of the City Council of the City of Menifee, California Acting in its Capacity as the Legislative Body of Community Facilities District No. 2022-1, Quartz Ranch, Authorizing the Levy of Special Taxes," adopted June 1, 2022; and

WHEREAS, Resolution No. 22-1185 adopted the "Resolution of Intention" on August 3, 2022, Resolution No. 22-1219 entitled "A Resolution Establishing Community Facilities District No. 2022-2," adopted September 21, 2022; and Ordinance No. 2022-352 entitled "An Ordinance of the City Council of the City of Menifee, California Acting in its Capacity as the Legislative Body of Community Facilities District No. 2022-2, McLaughlin Village, Authorizing the Levy of Special Taxes," adopted October 5, 2022; and

WHEREAS, Resolution No. 22-1187 adopted the "Resolution of Intention" on August 3, 2022, Resolution No. 22-1222 entitled "A Resolution Establishing Community Facilities District No. 2022-3," adopted September 21, 2022; and Ordinance No. 2022-353 entitled "An Ordinance of the City Council of the City of Menifee, California Acting in its Capacity as the Legislative Body of Community Facilities District No. 2022-3, Legado, Authorizing the Levy of Special Taxes," adopted October 5, 2022; and

WHEREAS, Resolution No. 23-1315 adopted the "Resolution of Intention" on May 3, 2023, Resolution No. 23-1327 entitled "A Resolution Establishing Community Facilities District No. 2023-1," adopted June 7, 2023; and Ordinance No. 2023-373 entitled "An Ordinance of the City Council of the City of Menifee, California Acting in its Capacity as the Legislative Body of Community Facilities District No. 2023-1, Rockport, Authorizing the Levy of Special Taxes," adopted June 21, 2023; and

WHEREAS, Resolution No. 23-1296 adopted the "Resolution of Intention" on March 15, 2023, Resolution No. 23-1310 entitled "A Resolution Establishing Community Facilities District No. 2023-2," adopted April 19, 2023; and Ordinance No. 2023-372 entitled "An Ordinance of the City Council of the City of Menifee, California Acting in its Capacity as the Legislative Body of Community Facilities District No. 2023-2, Cimarron Ridge, Authorizing the Levy of Special Taxes," adopted May 3, 2023; and

WHEREAS, all special taxes in the CFD were levied without regard to property valuation.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Menifee, California, does hereby order as follows:

Section 1. That the portion of the principal, interest and other costs related to the CFD due or coming due through June 30, 2025, be placed on the County Tax Rolls and be collected by the Riverside County Tax Collector, as provided for in Exhibit "A" (a summary of fixed charges).

Section 2. That the properties to be so assessed and the related amounts are submitted via File Transfer Protocol as requested by the Riverside County Tax Collector, further identified as County Fund Nos.:

Fund No.	CFD No.
68-0262-FC	CFD 2019-1
68-0263-FC	CFD 2020-1
68-0264-FC	CFD 2020-2
68-0410-FC	CFD 2021-1
68-0411-FC	CFD 2021-2
68-0412-FC	CFD 2022-1
68-0413-FC	CFD 2022-2
68-0414-FC	CFD 2022-3 IA 1
68-0541-FC	CFD 2022-3 IA 2
68-0542-FC	CFD 2023-1
68-0543-FC	CFD 2023-2 IA 1
68-0544-FC	CFD 2023-2 IA 2

Section 3. The adoption of this Resolution constitutes the CFD levy for the Fiscal Year commencing July 1, 2024, and ending June 30, 2025.

Section 4. The City Clerk is hereby authorized and directed to file the levy with the County Auditor-Controller upon adoption of this Resolution.

Section 5. A certified copy of the levy shall be filed in the office of the City Clerk and open for public inspection.

(SIGNATURES FOLLOW ON THE NEXT PAGE.)

PASSED, APPROVED AND ADOPTED this 19th day of June, 2024

Bill Zimmerman, Mayor

Attest:

Stephanie Roseen, Acting City Clerk

Approved as to form:

Jeffrey T. Melching, City Attorney

EXHIBIT "A"

CITY OF MENIFEE
COMMUNITY FACILITIES DISTRICTS
PRELIMINARY SUMMARY OF FIXED CHARGES
FOR FISCAL YEAR 2024/2025

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