

RESOLUTION NO. 2025-__

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, APPROVING THE CONTINUATION OF THE IMPROVEMENT AREA NO. 1 OF COMMUNITY FACILITIES DISTRICT NO. 7, OF THE CITY OF MORENO VALLEY MAXIMUM AND APPLIED SPECIAL TAX RATES FOR FISCAL YEAR 2025/26, AND CALCULATION THEREOF

WHEREAS, the City Council of the City of Moreno Valley, California, did form Improvement Area No. 1 of Community Facilities District No. 7 of the City of Moreno Valley ("IA1 of CFD No. 7" or "District") pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982", as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California; and

WHEREAS, following approval by the qualified electors of the District, the legislative body did adopt Ordinance No. 911 ("Ordinance") to authorize a levy of a special tax within IA1 of CFD No. 7; and

WHEREAS, on September 15, 2016, the City of Moreno Valley issued the Improvement Area No. 1 of Community Facilities District No. 7 of the City of Moreno Valley Special Tax Bonds in the amount of \$3,265,000; and

WHEREAS, the Ordinance authorizes the legislative body, by resolution, to annually determine the special tax to be levied in the District; provided, however, the special tax to be levied shall not exceed the maximum special tax rate authorized to be levied pursuant to the Amended and Restated Rate and Method of Apportionment ("RMA"); and

WHEREAS, the Riverside County Auditor-Controller's Office requires the adoption of a resolution for submission with the annual special taxes for placement on the Riverside County property tax bills; and

WHEREAS, the maximum annual special tax rate for developed and undeveloped property has been established by the RMA at \$3,500 per acre. There is no escalator clause for the maximum special tax rate; and

WHEREAS, the City Council has determined that continuing the calculation of the applied special tax and application of the special tax, as previously approved by the qualified electors, for each applicable assessable parcel of real property within the District, consistent with the RMA, will provide the necessary and equitable revenue stream to fund the obligations of the District for fiscal year (FY) 2025/26; and

WHEREAS, the City, acting for and on behalf of itself and the CFD, and the property owners entered into an Area Drainage Plan (“ADP”) Fee Agreement under which the City agreed to transfer local ADP fees paid by future annexation property owners, who made payment of the ADP fees in lieu of annexing into the CFD, to the CFD and such payments will be used to offset the special tax requirement; and

WHEREAS, to satisfy the special tax requirement, the special tax shall be levied proportionately on (i) each assessor’s parcel of annexed property up to 100% of the applicable maximum special tax, and (ii) each assessor’s parcel of developed property up to 100% of the applicable maximum special tax; and

WHEREAS, if additional monies are required to fund the annual special tax requirement, then the special tax shall be applied proportionately to all undeveloped properties up to the maximum special tax; and

WHEREAS, the calculation of the special tax is in compliance with laws pertaining to the levy of the special taxes; and

WHEREAS, the special tax is levied without regard to property valuation; and

WHEREAS, Government Code §53410 requires that on or after January 1, 2001, any bond measure that is subject to voter approval that would provide for the sale of bonds by a local agency shall provide accountability measures; and

WHEREAS, Government Code §54311 requires the chief fiscal officer of the issuing local agency to file an Annual Bond Accountability Report with its governing body no later than January 1, 2002, and at least once a year thereafter; and

WHEREAS, the City has prepared and submitted the Annual Special Tax and Bond Accountability Report (“Report”) for FY 2025/26, which identifies the maximum and applied special tax rates, in an amount not to exceed the maximum special tax rate, and the calculation thereof; and

WHEREAS, the Report is on file in the office of the City Treasurer/Chief Financial Officer (“CFO”) and is incorporated herein by this reference as if fully set forth; and

WHEREAS, the annual special taxes shall be submitted to the Riverside County Auditor-Controller’s Office, to be levied on the property tax bills of parcels subject to the special tax.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MORENO VALLEY, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

1. Incorporation of Recitals. The foregoing recitals are true and correct and incorporated herein by this reference.

2. Approval of Report. The above referenced Report, on file in the office of the City's CFO, is approved as filed, as the Report may have been modified by order of the City Council.
3. Maximum Special Tax Rate. The FY 2025/26 maximum special tax for developed and undeveloped properties is set at \$3,500 per acre.
4. Applied Special Tax Rate for Developed Properties. The FY 2025/26 applied special tax for developed properties is set at \$2,699.65 per acre.
5. Applied Special Tax Rate for Undeveloped Properties. The FY 2025/26 applied special tax for undeveloped properties is set at \$0 per acre.
6. Confirming the Rates. The maximum and applied special tax rates are hereby confirmed for each parcel of real property within the District, as set forth in the Report.
7. Collection of Special Taxes. The special taxes set forth in the Report, shall be collected in the same manner as ordinary ad valorem property taxes are collected and shall be subject to the same penalties and the same procedure, sale and lien priority in the case of delinquency as is provided for *ad valorem* taxes, unless another procedure is adopted by the City Council. In addition, the provisions of Section 53356.1 of the Act shall apply to delinquent special tax payments. The CFO is hereby authorized and directed to provide all necessary information to the Treasurer and Tax Collector of Riverside County and to otherwise take all actions necessary in order to effect proper billing and collection of the special tax, so that the special tax shall be levied and collected in sufficient amounts and at the times necessary to satisfy the financial obligations of IA1 of CFD No. 7 in each FY.
8. Compliance with Government Code. This legislative body hereby submits the Report in compliance with the above-mentioned Government Code Sections, and that the Report shall remain on file with the CFO for review by the public upon request.
9. Modifications. The CFO is authorized to adjust the special taxes levied on the property tax roll in the event there are parcel changes, clerical errors, new parcels annexed into the District, or other adjustments as may be necessary between the date the special taxes were calculated and the date the fixed charges are submitted to the County of Riverside, provided the applied special tax rate does not exceed the maximum special tax rate and is in compliance with the RMA.
10. Severability. If any provision of this Resolution or the application of any such provision is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable and

that the City Council declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

11. Certified Copy. The City Clerk is hereby ordered to forward a certified copy of this Resolution to the County of Riverside and to take such actions as are required for the collection of the tax.
12. Certification. The City Clerk shall certify to the adoption of this Resolution.
13. Effective Date. This Resolution shall become effective immediately upon its adoption.

APPROVED AND ADOPTED this 20th day of May 2025.

Mayor of the City of Moreno Valley

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

RESOLUTION JURAT

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF MORENO VALLEY)

I, M. Patricia Rodriguez, City Clerk of the City of Moreno Valley, California, do hereby certify that Resolution No. 2025-____ was duly and regularly adopted by the City Council of the City of Moreno Valley at a regular meeting thereof held on the 20th day of May 2025 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

(Council Members, Mayor Pro Tem and Mayor)

CITY CLERK

(SEAL)