



## Report to City Council

---

**TO:** Mayor and City Council

**FROM:** Dena Heald, Chief Financial Officer/City Treasurer

**AGENDA DATE:** September 16, 2025

**TITLE:** ANNEXATION OF CERTAIN PARCELS INTO CFD NO. 2023-01 (PUBLIC SAFETY SERVICES) (REPORT OF: FINANCIAL AND MANAGEMENT SERVICES) (DISTRICTS: 1, 2, AND 3)

**TITLE SUMMARY:** Pursuant to Landowner Petitions, Annex Certain Parcels into Community Facilities District No. 2023-01 (Public Safety Services) (Reso No. 2025-\_\_\_)

**DISTRICT:** DISTRICTS: 1, 2, AND 3

---

### Recommendation(s)

That the City Council:

1. Acting in the legislative body of Community Facilities District No. 2023-01 (Public Safety Services), adopt Resolution No. 2025-\_\_\_, a Resolution of the City Council of the City of Moreno Valley, California, ordering annexation of territory to the City of Moreno Valley Community Facilities District, for the specific properties as listed in the Discussion section of this report and as previously approved by the Landowner and certified by the City's Election Official (Amendments Nos. 97, 99, 100, 102-104, 107-109, and 112).

### SUMMARY

Adoption of the resolution (Attachment 1) will order the annexation of a total of 10 parcels into Community Facilities District (CFD) No. 2023-01 (Public Safety Services) (the "District"). This action impacts only the property owners identified below, not the general citizens or taxpayers of the City.

## **DISCUSSION**

As conditions of approval for the development projects, Property Owners are required to provide an ongoing funding source for certain public services (i.e., public safety services). The funding mitigates the costs of impacts created by the proposed development.

On November 21, 2023 the City formed CFD No. 2023-01 (Public Safety Services) to provide alternative funding tools for the development community to mitigate the impact of their proposed development. Annexation into the District provides property owners a mechanism to fund public safety services, through an annual special tax.

On March 5, 2024, the City Council adopted Ordinance No. 1007, which designated the entire territory of the City as a future annexation area for CFD 2023-01. With the future annexation areas designated, annexations can occur without an additional public hearing as long as the annexing landowners provide unanimous consent.

A property owner has the following options to satisfy the development conditions requiring a funding source for certain public services:

1. Annex the territory into the applicable CFD(s). (This option is generally only available if there are fewer than 12 registered voters living within the proposed annexation area); or
2. Create a permanent, prefunded, and irrevocable endowment that will yield an annual revenue stream to meet the annual obligation and provide for the ongoing operational services.

If a landowner elects to annex their property into the District(s) and the City Council approves the annexations, the City is authorized to levy special tax(es) onto the annual property tax bill to fund the services related to or impacted by their development.

The following property owners have elected to annex into the District to satisfy their condition(s) of approval:

<b>Property Owner(s) Project ACP Record No(s).</b>	<b>District</b>	<b>Amendment No(s).</b>	<b>APN(s)</b>	<b>Location</b>
Benny and Elsa Ivarra Revocable Living Trust and Benny Ivarra Accessory Dwelling Unit (ADU) SCP25-0101/BFR24-0242	CFD 2023-01	97	474-064-008	25013 Fran Lou Dr.
Jairo Alba Jr. Accessory Dwelling Unit (ADU) SCP25-0126/BFR25-0079	CFD 2023-01	99	256-320-022	21428 Shakespeare Ct.
Vidal Sanchez Jr. Accessory Dwelling Unit (ADU) SCP25-0123/BFR25-0093	CFD 2023-01	100	484-103-007	25297 Valleywood Ct.

Liliana Amaya Jr. Accessory Dwelling Unit (ADU) SCP24-0125/BFR24-0141	CFD 2023-01	102	259-490-001	9970 Sofia Ct.
Ana Y. Rivera Aleman Accessory Dwelling Unit (ADU) SCP25-0132/BFR25-0035	CFD 2023-01	103	479-302-010	12267 Lorez Dr.
Gentry Phillips and Steven Phillips Jr. Accessory Dwelling Unit (ADU) SCP25-0094/BFR25-0044	CFD 2023-01	104	291-531-010	12790 Lambeth St.
Manuel Gomez Jr. Accessory Dwelling Unit (ADU) SCP25-0117/BFR25-0042	CFD 2023-01	107	484-271-007	25378 Renoir Ave.
Pitt Phitsamay Boonleuth Accessory Dwelling Unit (ADU) SCP25-0128/BFR24-0181	CFD 2023-01	108	256-291-009	11382 Morton Rd.
Arturo Rivera and Angelina Rivera Accessory Dwelling Unit (ADU) SCP25-0121/BFR25-0030	CFD 2023-01	109	475-141-040	11499 Perris Blvd.
Arturo Rivera and Angelina Rivera Accessory Dwelling Unit (ADU) SCP25-0067/BFR25-0015	CFD 2023-01	112	475-141-039	24948 Kalmia Ave.

The Office of the Riverside County Registrar of Voters confirmed there were less than 12 registered voters residing at each property, allowing a special election of the landowner. Adoption of the attached resolution (Attachment 1) amends the District and adds the property/properties, with a special tax rate based on property type, in the Fiscal Impact section of this report and directs the recordation of the boundary maps and amended notices of special tax lien for the amendments. The City Clerk received and reviewed the Landowner Petitions and confirmed the Property Owners unanimously approved the annexations of their property into the Districts (Attachment 2).

Successful completion of the annexation process satisfies the project's conditions of approval requirements to provide a funding source for public safety services.

## **ALTERNATIVES**

1. Adopt the resolution. *Staff recommends this alternative as it will annex the property/properties into CFD 2023-01 at the request of the Property Owners and satisfy the conditions of approval for the proposed developments.*
2. Do not adopt the resolution. *Staff does not recommend this alternative as it is contrary to the request of the Property Owners, will not satisfy the conditions of approval and may delay development of the projects.*

3. Do not adopt the resolution but rather continue the item to a future regularly scheduled City Council meeting. *Staff does not recommend this alternative as it will delay the Property Owners from satisfying the condition of approval and may delay development of the projects.*

**FISCAL IMPACT**

Revenue received from the special taxes are restricted and can only be used to fund services within the District. The special tax can only be applied to a property tax bill of a parcel wherein the qualified electors (i.e., landowners or registered voters, depending upon the number of registered voters) have previously provided approval. The maximum special tax rate is detailed below. If the projected revenue from the maximum special tax exceeds what is necessary to fund the services, a lower amount will be applied to the property tax bill.

Property Owner(s) Project ACP Record No(s).	District	Amendment No(s).	FY 2025/26 Maximum Special Tax Rate <sup>1</sup>	
Benny and Elsa Ivarra Revocable Living Trust and Benny Ivarra Accessory Dwelling Unit (ADU) SCP25-0101/BFR24-0242	CFD 2023-01	97	Accessory Dwelling Unit	\$216.30/Unit
Jairo Alba Jr. Accessory Dwelling Unit (ADU) SCP25-0126/BFR25-0079	CFD 2023-01	99	Accessory Dwelling Unit	\$216.30/Unit
Vidal Sanchez Jr. Accessory Dwelling Unit (ADU) SCP25-0123/BFR25-0093	CFD 2023-01	100	Accessory Dwelling Unit	\$216.30/Unit
Liliana Amaya Jr. Accessory Dwelling Unit (ADU) SCP24-0125/BFR24-0141	CFD 2023-01	102	Accessory Dwelling Unit	\$216.30/Unit
Ana Y. Rivera Aleman Accessory Dwelling Unit (ADU) SCP25-0132/BFR25-0035	CFD 2023-01	103	Accessory Dwelling Unit	\$216.30/Unit
Gentry Phillips and Steven Phillips Jr. Accessory Dwelling Unit (ADU) SCP25-0094/BFR25-0044	CFD 2023-01	104	Accessory Dwelling Unit	\$216.30/Unit
Manuel Gomez Jr. Accessory Dwelling Unit (ADU) SCP25-0117/BFR25-0042	CFD 2023-01	107	Accessory Dwelling Unit	\$216.30/Unit
Pitt Phitsamay Boonleuth Accessory Dwelling Unit (ADU) SCP25-0128/BFR24-0181	CFD 2023-01	108	Accessory Dwelling Unit	\$216.30/Unit
Arturo Rivera and Angelina Rivera Accessory Dwelling Unit (ADU) SCP25-0121/BFR25-0030	CFD 2023-01	109	Accessory Dwelling Unit	\$216.30/Unit

Property Owner(s) Project ACP Record No(s).	District	Amendment No(s).	FY 2025/26 Maximum Special Tax Rate <sup>1</sup>	
Arturo Rivera and Angelina Rivera Accessory Dwelling Unit (ADU) SCP25-0067/BFR25-0015	CFD 2023-01	112	Accessory Dwelling Unit	\$216.30/Unit
<sup>1</sup> The special tax applied to the property tax bill will be based on the needs of the District. The applied special tax rate cannot exceed the maximum special tax rate.				

The maximum special tax rates are subject to an annual inflation adjustment based on the change in the Consumer Price Index (CPI) or five percent (5%), whichever is greater. However, the annual adjustment cannot be applied unless the City Council annually authorizes such adjustment. The increase to the maximum special tax rates cannot exceed the annual inflationary adjustment without a two-thirds approval of the qualified electors.

**NOTIFICATION**

The Landowner Petitions were provided to the Property Owners on August 15, 20, 21, and August 27, 2025.

**PREPARATION OF STAFF REPORT**

Prepared by:  
Kaitlyn Choma  
Management Assistant

Department Head Approval:  
Dena Heald  
Chief Financial Officer/Treasurer

Concurred by:  
Isa Rojas  
Interim Special Districts Manager

Concurred by:  
Shanna Palau  
Public Safety Contracts Administrator

**CITY COUNCIL GOALS**

Community Image, Neighborhood Pride and Cleanliness: Promote a sense of community pride and foster an excellent image about our City by developing and executing programs which will result in quality development, enhanced neighborhood preservation efforts, including home rehabilitation and neighborhood restoration.

Revenue Diversification and Preservation: Develop a variety of City revenue sources and policies to create a stable revenue base and fiscal policies to support essential City services, regardless of economic climate.

**CITY COUNCIL STRATEGIC PRIORITIES**

1. Economic Development
2. Public Safety
3. Library
4. Infrastructure
5. Beautification, Community Engagement, and Quality of Life

## **6. Youth Programs**

Objective 4.2: Develop and maintain a comprehensive Infrastructure Plan to invest in and deliver City infrastructure.

Objective 5.2: Promote the installation and maintenance of cost effective, low maintenance landscape, hardscape and other improvements which create a clean, inviting community.

## Report Approval Details

Document Title:	STAFFREPORT_FMS_SD_ANNEXATIONS INTO CFD 2023-01_09.16.25.docx
Attachments:	- RESOLUTION ORDERING ANNEXATION_CFD 2023-01_09.16.25.docx - CERTIFICATES OF ELECTION OFFICIAL_CFD 2023-01_09.16.25.docx
Final Approval Date:	Sep 10, 2025

This report and all of its attachments were approved and signed as outlined below:

**No Signature found**

Kaitlyn Choma

**No Signature found**

Isa Rojas

**No Signature found**

Shanna Palau

Natalia Lopez

Dena Heald

Launa Jimenez

Brian Mohan

Patty Rodriguez