



Report to City Council

TO: Mayor and City Council

FROM: Launa Jimenez, Assistant City Manager
(Administration)

AGENDA DATE: October 21, 2025

TITLE: ANNEXATION OF CERTAIN PARCELS INTO CFD NO. 2014-01 (MAINTENANCE SERVICES) AND CFD NO. 2023-01 (PUBLIC SAFETY SERVICES) (REPORT OF: FINANCIAL AND MANAGEMENT SERVICES) (DISTRICT: ALL APPLICABLE)

TITLE SUMMARY: Pursuant to Landowner Petitions, Annex Certain Parcels into Community Facilities District No. 2014-01 (Maintenance Services) and Community Facilities District No. 2023-01 (Public Safety Services) (Reso No. 2025-___ and Reso No. 2025-___)

DISTRICT: All Districts

Recommendation(s)

That the City Council:

1. Acting as the legislative body of Community Facilities District No. 2014-01 (Maintenance Services), adopt Resolution No. 2025-___, a Resolution of the City Council of the City of Moreno Valley, California, ordering the annexation of territory to City of Moreno Valley Community Facilities District No. 2014-01 (Maintenance Services) and approving the amended map for said District, for the specific property as listed in the Discussion section of this staff report and as previously approved by the Landowner and certified by the City's Election Official (Amendment No. 89).
2. 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. 46, 93, 95, 96, 98, 111, 114, 115, 117 and 118).

SUMMARY

Adoption of the resolutions (Attachments 1 and 2) will order the annexation of a total of 11 parcels into Community Facilities District (CFD) No. 2014-01 (Maintenance Services) and Community Facilities District (CFD) No. 2023-01 (Public Safety Services) (the "Districts"). 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 street lighting, public landscape maintenance, streets and drainage maintenance services as well as public safety services). The funding mitigates the costs of impacts created by the proposed development.

On March 25, 2014, pursuant to the Mello-Roos Community Facilities Act of 1982, the City Council formed CFD No. 2014-01 (Maintenance Services) and on November 21, 2023 they 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 Districts provides property owners a mechanism to fund public street lighting, landscape, and streets & drainage services and public safety services, through an annual special tax.

On April 20, 2021, the City Council adopted Ordinance No. 980, which designated the entire territory of the City as a future annexation area for CFD 2014-01 and 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.

CFD 2014-01 also offers the option of establishing a homeowner or property owner association to provide the ongoing operation and maintenance of the improvements.

If a landowner elects to annex their property into the District(s) and the City Council approves the annexation(s), 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(s) to satisfy their condition(s) of approval:

Property Owner(s) Project ACP Record No(s).	District	Amendment No(s).	APN(s)	Location
HF Logistics-Skx T3, LLC WLC Business Park, Building 6A SCP24-0166/PEN24-0130/BFC24-0161	CFD 2014-01	89	478-480-001	Southeast corner of Eucalyptus Ave. and Pacific Gateway
HF Logistics-Skx T3, LLC WLC Business Park, Building 6A SCP24-0168/PEN24-0130/BFC24-0161	CFD 2023-01	46	478-480-001	Southeast corner of Eucalyptus Ave. and Pacific Gateway
Mario A. Medina and Maritza I. Zarate Medina Accessory Dwelling Unit (ADU) SCP25-0071/BFR24-0167	CFD 2023-01	93	291-313-003	22895 Scribner Dr.
Maria Guadalupe Lopez Accessory Dwelling Unit (ADU) SCP25-0033/BFR24-0169	CFD 2023-01	95	304-132-020	28380 Championship Dr.
Jesus Hernandez-Rosales, Alexandra Arlene Rodriguez, and Tommy Rodriguez Garcia Accessory Dwelling Unit (ADU) SCP25-0113/BFR25-0007	CFD 2023-01	96	475-233-017	24965 Camino de Oro Way
CC Group Accessory Dwelling Unit (ADU) SCP25-0086/BFR24-0216	CFD 2023-01	98	486-094-001	15500 Eleanor Ln.
Stephan Crabtree and Alexia Crabtree Accessory Dwelling Unit (ADU) SCP25-0136/BFR25-0084	CFD 2023-01	111	487-431-021	13359 Yuba Pass Dr.
Title Jenny R Revocable Trust Dated 04/18/23 and Jenny R. Tittle Accessory Dwelling Unit (ADU) SCP25-0144/BFR25-0111	CFD 2023-01	114	479-591-005	13431 Ninebark St.
Martin Gracian and Delia Gracian Accessory Dwelling Unit (ADU) SCP25-0130/BFR25-0085	CFD 2023-01	115	304-183-027	15727 Prestancia Ct.

Property Owner(s) Project ACP Record No(s).	District	Amendment No(s).	APN(s)	Location
Bright Horizons Trust Dated 01/26/2012, David C. L. Pong, and Xiao Ping Lu Single Family Residence (SFR) SCP25-0152/BFR25-0090	CFD 2023-01	117	291-411-002	12021 Heritage Dr.
Mario Lawrence Gonzales and Rosa Elia Barrientos Accessory Dwelling Unit (ADU) SCP25-0156/BFR25-0017	CFD 2023-01	118	487-580-014	12894 Wainwright Ln.

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 resolutions (Attachments 1 and 2) amend each 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 3).

Successful completion of the annexation process satisfies the project’s conditions of approval requirements to provide a funding source for the operation and maintenance of public services including street lighting and public safety services.

ALTERNATIVES

1. Adopt the resolutions. *Staff recommends this alternative as it will annex the property/properties into CFD No. 2014-01 and 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 resolutions. *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 resolutions 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 each 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).	Property Type	FY 2025/26 Maximum Special Tax Rate ¹	
HF Logistics-Skx T3, LLC WLC Business Park, Building 6A SCP24-0166/PEN24-0130/ BFC24-0161	CFD 2014-01	89	Non- Residential	SL-02	\$5.57/Proportional Front Footage
HF Logistics-Skx T3, LLC WLC Business Park, Building 6A SCP24-0168/PEN24-0130/BFC24- 0161	CFD 2023-01	46	Industrial	\$58.80/1,000 Feet of Building Square Footage	
Mario A. Medina and Maritza I. Zarate Medina Accessory Dwelling Unit (ADU) SCP25-0071/BFR24-0167	CFD 2023-01	93	Accessory Dwelling Unit	\$216.30/Unit	
Maria Guadalupe Lopez Accessory Dwelling Unit (ADU) SCP25-0033/BFR24-0169	CFD 2023-01	95	Accessory Dwelling Unit	\$216.30/Unit	
Jesus Hernandez-Rosales, Alexandra Arlene Rodriguez, and Tommy Rodriguez Garcia Accessory Dwelling Unit (ADU) SCP25-0113/BFR25-0007	CFD 2023-01	96	Accessory Dwelling Unit	\$216.30/Unit	
CC Group Accessory Dwelling Unit (ADU) SCP25-0086/BFR24-0216	CFD 2023-01	98	Accessory Dwelling Unit	\$216.30/Unit	
Stephan Crabtree and Alexia Crabtree Accessory Dwelling Unit (ADU) SCP25-0136/BFR25-0084	CFD 2023-01	111	Accessory Dwelling Unit	\$216.30/Unit	
Title Jenny R Revocable Trust Dated 04/18/23 and Jenny R. Tittle Accessory Dwelling Unit (ADU) SCP25-0144/BFR25-0111	CFD 2023-01	114	Accessory Dwelling Unit	\$216.30/Unit	
Martin Gracian and Delia Gracian Accessory Dwelling Unit (ADU) SCP25-0130/BFR25-0085	CFD 2023-01	115	Accessory Dwelling Unit	\$216.30/Unit	

Property Owner(s) Project ACP Record No(s).	District	Amendment No(s).	Property Type	FY 2025/26 Maximum Special Tax Rate ¹
Bright Horizons Trust Dated 01/26/2012, David C. L. Pong, and Xiao Ping Lu Single Family Residence (SFR) SCP25-0152/BFR25-0090	CFD 2023-01	117	Single- Family	\$254.10/Unit
Mario Lawrence Gonzales and Rosa Elia Barrientos Accessory Dwelling Unit (ADU) SCP25-0156/BFR25-0017	CFD 2023-01	118	Accessory Dwelling Unit	\$216.30/Unit
¹ 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 September 10, 17-19, 22-24, and October 7, 2025.

PREPARATION OF STAFF REPORT

Prepared by:
Kaitlyn Choma
Management Assistant

Department Head Approval:
Launa Jimenez
Assistant City Manager (Administration)

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 2014-01_AND_CFD 2023-01_10.21.25.docx
Attachments:	- RESOLUTION ORDERING ANNEXATION_CFD 2014-01.docx - RESOLUTION ORDERING ANNEXATION_ CFD 2023-01.docx - CERTIFICATES OF ELECTION OFFICIAL_CFD 2014-01 AND CFD 2023-01.docx
Final Approval Date:	Oct 14, 2025

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

No Signature found

Kaitlyn Choma

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Isa Rojas

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Shanna Palau

Natalia Lopez

No Signature - Task assigned to Dena Heald was completed by workflow administrator Patty Rodriguez

Dena Heald

Launa Jimenez

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