



Report to City Council

TO: Mayor and City Council Acting in its Capacity as President and Members of the Board of Directors of the Moreno Valley Community Services District (CSD)

FROM: Dena Heald, Chief Financial Officer/City Treasurer

AGENDA DATE: November 18, 2025

TITLE: ANNEXATION OF CERTAIN PARCELS INTO CFD NO. 2021-01 (PARKS MAINTENANCE) (REPORT OF: FINANCIAL AND MANAGEMENT SERVICES) (DISTRICT: ALL APPLICABLE)

TITLE SUMMARY: Pursuant to Landowner Petitions, Annex Certain Parcels into Community Facilities District No. 2021-01 (Parks Maintenance) (Reso No. CSD 2025-___)

DISTRICT: All Districts

Recommendation(s)

That the CSD:

1. Adopt Resolution No. CSD 2025-___, a Resolution of Board for the Moreno Valley Community Services District of the City of Moreno Valley, California, ordering the annexation of territory to Moreno Valley Community Services District Community Facilities No. 2021-01 (Parks Maintenance) and approving the amended maps for said District, for the Specific properties 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 Nos. 263, 264, 286, 287, 296, 298, 300, and 301).

SUMMARY

Adoption of this resolution (Attachment 1) will certify the annexation of 8 parcels into Community Facilities District (CFD) No. 2021-01 (Parks Maintenance) ("District"). This

action impacts only the property owners identified below, not the general citizens or taxpayers of the City.

DISCUSSION

As a condition of approval for development projects, the property owners are required to provide an ongoing funding source for maintenance of certain public facilities (e.g., parks). The funding mitigates the cost of the impacts created by the proposed development.

On June 1, 2021, the CSD Board formed CFD No. 2021-01, pursuant to the Mello-Roos Community Facilities Act of 1982. The District was created to provide the development community with an alternative funding tool to mitigate the impacts of their proposed development. If a property owner elects to annex the parcels of their development into the District, they also authorize the CSD to annually levy a special tax, collected on the annual property tax bill, against property in the development project. Thus, satisfying the condition of approval.

On December 21, 2021, the CSD Board adopted Ordinance No. 56, which designated the entire territory of the City as a future annexation area for the District. With the future annexation area designated, annexations can occur without an additional public hearing as long as the annexing landowner provides unanimous consent. Once annexed, parcels are subject to the annual special tax to fund the service they are receiving.

An applicant has two options to satisfy the condition(s) of approval:

1. The property owner submits a Landowner Petition unanimously approving annexation of the property into the District. Approval of the petition and special tax rate allows the City to annually levy the special tax on the property tax bill of the property. This option is only available if there are fewer than 12 registered voters living within the proposed annexation area; or
2. The applicant funds an endowment in an amount sufficient to yield an annual revenue stream that meets the annual obligation and provides for the ongoing operation and maintenance of park facilities.

Property Owner(s) Project ACP Record No(s).	Amendment No(s).	APN(s)	Location
Manuel Alejandro Moncada Torres and Iliana Judith Moncada Jr. Accessory Dwelling Unit (ADU) SCP25-0068/BFR24-0225	263	485-161-030	15455 Gemstone Ct.
Marilupe Alegre Avila Pena Jr. Accessory Dwelling Unit (ADU) SCP25-0088/BFR25-0078	264	484-222-008	25217 Billie Dr.

Property Owner(s) Project ACP Record No(s).	Amendment No(s).	APN(s)	Location
Jessica Zaragoza Ferreira Jr. Accessory Dwelling Unit (ADU) SCP25-0107/BFR25-0014	286	256-242-021	21948 Glen View Dr.
Miguel Hernandez Ortiz, Miguel Hernandez, and Martha Hernandez Jr. Accessory Dwelling Unit (ADU) SCP25-0046/BFR23-0221	287	479-483-005	13532 Red Mahogany Dr.
Jamie Garcia Custom Home SCP25-0058/BFR24-0050/PEN21-0299	296	475-300-023	24966 Ironwood Ave.
Tarula L Living Trust Dated 03/21/20 and Leticia Tarula Accessory Dwelling Unit (ADU) SCP25-0157/BFR25-0068	298	482-040-031	24544 Atwood Ave.
CC Group 3 Accessory Dwelling Units (ADU) SCP25-0083/BFR24-0185/BFR25-0059	300	475-182-042	11529 & 11531 Davis St.
Brenda Gomez and Martin Sebastian Mejia Gomez Accessory Dwelling Unit (ADU) SCP25-0149/BFR25-0074	301	264-192-036	11621 Warbler Way

The Property Owners listed above elected to annex their property into CFD No. 2021-01 and have the special tax applied to their annual property tax bill. The office of the Riverside County Registrar of Voters confirmed the number of registered voters residing at each property, allowing a special election of the landowner. Adoption of the resolution (Attachment 1) amends the District and adds the property to the tax rate area identified in the Fiscal Impact section of this report. The resolution also directs the recordation of the boundary maps (included within the resolution) and amended notice of special tax liens for the amendments. The Election Official confirmed the Property Owners unanimously approved the annexation of their property into the District (Attachment 2).

ALTERNATIVES

1. Adopt the resolution. *Staff recommends this alternative since it will annex the properties into CFD No. 2021-01 at the request of the Property Owners and satisfy the condition of approval for the proposed developments.*
2. Do not adopt the resolution. *Staff does not recommend this alternative because it is contrary to the request of the Property Owners, will not satisfy the condition of approval, and may delay development of the projects.*
3. Do not adopt the resolution, but rather continue the item to a future regular 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 tax is restricted and can only be used to fund the services for each tax rate area 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. If the projected revenue from the maximum special tax exceeds what is necessary to fund the services within the tax rate area, a lower amount will be applied to the property tax bill for all of the properties within the affected tax rate area. The maximum special tax rates are detailed below.

Property Owner(s) Project ACP Record No(s).	Amendment No(s).	Property Type	FY 2025/26 Maximum Special Tax Rate¹
Manuel Alejandro Moncada Torres and Iliana Judith Moncada Jr. Accessory Dwelling Unit (ADU) SCP25-0068/BFR24-0225	263	Single-Family	\$369.57/Unit
Marilupe Alegre Avila Pena Jr. Accessory Dwelling Unit (ADU) SCP25-0088/BFR25-0078	264	Single-Family	\$369.57/Unit
Jessica Zaragoza Ferreira Jr. Accessory Dwelling Unit (ADU) SCP25-0107/BFR25-0014	286	Single-Family	\$369.57/Unit
Miguel Hernandez Ortiz, Miguel Hernandez, and Martha Hernandez Jr. Accessory Dwelling Unit (ADU) SCP25-0046/BFR23-0221	287	Single-Family	\$369.57/Unit
Jamie Garcia Custom Home SCP25-0058/BFR24-0050/PEN21-0299	296	Single-Family	\$369.57/Unit
Tarula L Living Trust Dated 03/21/20 and Leticia Tarula Accessory Dwelling Unit (ADU) SCP25-0157/BFR25-0068	298	Single-Family	\$369.57/Unit
CC Group 3 Accessory Dwelling Units (ADU) SCP25-0083/BFR24-0185/BFR25-0059	300	Single-Family	\$369.57/Unit
Brenda Gomez and Martin Sebastian Mejia Gomez Accessory Dwelling Unit (ADU) SCP25-0149/BFR25-0074	301	Single-Family	\$369.57/Unit

The maximum special tax rate is 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 CSD Board annually

authorizes such an adjustment. The increase to the maximum special tax rate cannot exceed the annual inflationary adjustment without a two-thirds approval of the qualified electors within the affected tax rate area.

NOTIFICATION

The Landowner Petitions were provided to the Property Owners on October 22, 27, and October 28, 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:
Jeremy Bubnick
Parks & Community Services Director

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 2021-01_11.18.25.docx
Attachments:	- RESOLUTION ORDERING ANNEXATIONS_11.18.25.docx - CERTIFICATES OF ELECTION OFFICIAL_11.18.25.docx
Final Approval Date:	Nov 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

Jeremy Bubnick

Natalia Lopez

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

Dena Heald

Launa Jimenez

Brian Mohan

Patty Rodriguez