



Report to City Council

TO: Mayor and City Council

FROM: Felicia London, Chief Financial Officer/City Treasurer

AGENDA DATE: April 21, 2026

TITLE: ANNEXATION OF CERTAIN PARCELS INTO CFD NO. 2014-01 (MAINTENANCE SERVICES) AND CFD NO. 2023-01 (PUBLIC SAFETY SERVICES) (REPORT OF: FINANCIAL & MANAGEMENT SERVICES) (DISTRICT: 1, 2, 3)

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. 2026-XX and Reso No. 2026-XX)

DISTRICT: Districts 1-3

Recommendation(s)

That the City Council:

1. Acting as the legislative body of Community Facilities District No. 2014-01 (Maintenance Services), adopt Resolution No. 2026-XX, 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 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 No. 94 and 95).
2. Acting as the legislative body of Community Facilities District No. 2023-01 (Public Safety Services), adopt Resolution No. 2026-XX, a Resolution of the City Council of the City of Moreno Valley, California, ordering the annexation of territory to the City of Moreno

Valley Community Facilities 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 (Amendments Nos. 123, 148, 154-157, and 159-161).

SUMMARY

Adoption of the resolutions (Attachments 1 and 2) will order the annexation of a total of 14 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 Districts and the City Council approves the annexation(s), the City is authorized to levy special taxes 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 Districts to satisfy their condition(s) of approval:

Property Owner(s) Project ACP Record No(s).	District	Amendment No.	APN(s)	Location
Vigorous Moreno TR 38480, 37 Single Family Homes SCP26-0013/PEN22-0187	CFD 2014-01	94	487-260-002 487-260-003 487-260-004 487-260-005	South of Fir Ave. and West of Nason St.
Riverside Co Farm Bureau, Inc. TR 38955, 139 Attached Condominiums SCP26-0016/PEN24-0058 PEN24-0059/BFC25-0215	CFD 2014-01	95	256-200-002 256-200-003 256-200-004	North of Box Springs Rd. and East of Morton Rd.
Ruben Castaneda and Maricela Ramirez Accessory Dwelling Unit (ADU) SCP25-0115/BFR25-0016	CFD 2023-01	123	482-322-009	24476 Bay Ave.
Angel Sandoval and Griselda Sandoval Accessory Dwelling Unit (ADU) SCP25-0204/BFR25-0011	CFD 2023-01	148	484-153-008	14449 Stuard Dr.
Miguel A. Olivares and Maria C. Vargas Custom Home SCP26-0010/PEN24-0090	CFD 2023-01	154	487-551-003	13576 Darwin Dr.
Isela Carreon and Issac G. Carreon Accessory Dwelling Unit (ADU) SCP26-0022/BFR25-0172	CFD 2023-01	155	481-033-005	12089 Nita Dr.
Vigorous Moreno TR 38480, 37 Single Family Homes SCP26-0012/PEN22-0187	CFD 2023-01	156	487-260-002 487-260-003 487-260-004 487-260-005	South of Fir Ave. and West of Nason St.
Riverside Co Farm Bureau, Inc. TR 38955, 139 Attached Condominiums SCP26-0015/PEN24-0058 PEN24-0059/BFC25-0215	CFD 2023-01	157	256-200-002 256-200-003 256-200-004	North of Box Springs Rd. and East of Morton Rd.

Property Owner(s) Project ACP Record No(s).	District	Amendment No.	APN(s)	Location
Jesse Shubbie and Chelsea Shubbie Accessory Dwelling Unit (ADU) SCP26-0003/BFR25-0135	CFD 2023-01	159	487-242-003	26622 Primrose Way
Emilio Alonso and Martha G. Alonso Accessory Dwelling Unit (ADU) SCP26-0024/BFR25-0178	CFD 2023-01	160	479-413-012	12609 Ninebark St.
Alexis Domingo Nunez and Jacqueline Nunez Nieto Accessory Dwelling Unit (ADU) and Jr. ADU SCP26-0018/BFR25-0200	CFD 2023-01	161	482-343-016	24237 & 24241 Powell Pl.

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, landscaping, streets and drainage 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.	Property Type	FY 2025/26 Maximum Special Tax Rate ¹	
Vigorous Moreno TR 38480, 37 Single Family Homes SCP26-0013/PEN22-0187	CFD 2014-01	94	Single-Family Residential	SL-01A LM-01 SD-01	\$342.55/parcel TBD/parcel \$1,110.27/parcel \$3.05 per curb foot
Riverside Co Farm Bureau, Inc. TR 38955, 139 Attached Condominiums SCP26-0016/PEN24-0058 PEN24-0059/BFC25-0215	CFD 2014-01	95	Multi-Family	SL-02	\$5.57/ Proportional Front Footage
Ruben Castaneda and Maricela Ramirez Accessory Dwelling Unit (ADU) SCP25-0115/BFR25-0016	CFD 2023-01	123	Accessory Dwelling Unit		\$216.30/Unit
Angel Sandoval and Griselda Sandoval Accessory Dwelling Unit (ADU) SCP25-0204/BFR25-0011	CFD 2023-01	148	Accessory Dwelling Unit		\$216.30/Unit
Miguel A. Olivares and Maria C. Vargas Custom Home SCP26-0010/PEN24-0090	CFD 2023-01	154	Single-Family Residential		\$254.10/Unit
Isela Carreon and Issac G. Carreon Accessory Dwelling Unit (ADU) SCP26-0022/BFR25-0172	CFD 2023-01	155	Accessory Dwelling Unit		\$216.30/Unit
Vigorous Moreno TR 38480, 37 Single Family Homes SCP26-0013/PEN22-0187	CFD 2023-01	156	Single-Family Residential		\$254.10/Unit

Property Owner(s) Project ACP Record No(s).	District	Amendment No.	Property Type	FY 2025/26 Maximum Special Tax Rate¹
Riverside Co Farm Bureau, Inc. TR 38955, 139 Attached Condominiums SCP26-0016/PEN24-0058 PEN24-0059/BFC25-0215	CFD 2023-01	157	Multi-Family Residential	\$216.30/Unit
Jesse Shubbie and Chelsea Shubbie Accessory Dwelling Unit (ADU) SCP26-0003/BFR25-0135	CFD 2023-01	159	Accessory Dwelling Unit	\$216.30/Unit
Emilio Alonso and Martha G. Alonso Accessory Dwelling Unit (ADU) SCP26-0024/BFR25-0178	CFD 2023-01	160	Accessory Dwelling Unit	\$216.30/Unit
Alexis Domingo Nunez and Jacqueline Nunez Nieto Accessory Dwelling Unit (ADU) and Jr. ADU SCP26-0018/BFR25-0200	CFD 2023-01	161	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. Final rates for CFD 2014-01 are subject to change upon final approved plans and/or conditions of approval.				

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 March 24 and March 25, 2026.

PREPARATION OF STAFF REPORT

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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 2.5: Develop partnerships with local businesses and warehouse operators to reduce traffic related issues.

Objective 2.6: Enhance operational excellence and efficiency in delivery of Police services.

Objective 2.7: Fully integrate Fire Prevention activities into the City's Development Services processes to provide swift, seamless service.

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_04.21.26.docx
Attachments:	- RESOLUTION ORDERING ANNEXATIONS_CFD 2014-01_04.21.26.docx - RESOLUTION ORDERING ANNEXATIONS_CFD 2023-01_04.21.26.docx - CERTIFICATES OF ELECTION OFFICIAL_04.21.26.docx
Final Approval Date:	Apr 16, 2026

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

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