



## REPORT TO CITY COUNCIL

**To:** Honorable Mayor or Members of the City Council

**From:** Jason Simpson, City Manager

**Prepared by:** Jason Simpson, City Manager

**Date:** January 10, 2023

**Subject:** **Lake Elsinore Community Facilities District No. 2015-1 (Safety Services) Declaring Its Intention to Consider Annexing Territory Tract No. 38116 Annexation No. 13**

### Recommendation

Adopt A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE ELSINORE, CALIFORNIA, ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2015-1 OF THE CITY OF LAKE ELSINORE (SAFETY SERVICES), DECLARING ITS INTENTION TO CONSIDER ANNEXING TERRITORY TO COMMUNITY FACILITIES DISTRICT NO. 2015-1 OF THE CITY OF LAKE ELSINORE (SAFETY SERVICES).

### Background

In 2016, the City formed Community Facilities District No. 2015-1 of the City of Lake Elsinore (Safety Services) ("Community Facilities District No. 2015-1" or the "District") pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"). The District is authorized to levy a special tax within its boundaries to provide, among others, police protection services, fire protection and suppression services, and paramedic services.

The owner, Tri Pointe Homes IE-SD, Inc., (the "Owner"), owns property containing 140 proposed residential lots within the City has requested that the City assist them in annexing territory into CFD No. 2015-1 (Safety Services) to cover the costs associated with safety services. Such property is located at the northeast corner of Grand Avenue and Riverside Drive, in the western part of the City of Lake Elsinore.

The landowner has advised the City that the area described in Exhibit "B" of the Resolution of Intention to be annexed into CFD No. 2015-1 and that a Rate and Method of Apportionment of the special taxes to be levied as described in Exhibit "C".

The proposed total maximum tax rate is \$917.08 per unit per year, starting Fiscal Year 2022-23. The Annual Special Tax rate is proposed to escalate each year at the greater of Consumer Price Index (CPI) or 4%.

**Discussion**

The City has agreed to the annexation into the CFD and the Owners have submitted a "Consent and Waiver" form on file in the City Clerk's Office, to initiate and conduct proceedings pursuant to the Mello-Roos Act of 1982, requesting the annexation of property to CFD No. 2015-1 (Safety Services) and consenting to the shortening of election time requirements, waiving analysis and arguments, and waiving all notice requirements relating to the conduct of the election.

The next step to annex the property to CFD No. 2015-1 is to publish a notification of the proposed Annexation along with the "Resolution of Intention" and Boundary Map of the proposed Annexation area. A public hearing on the matter will take place on February 14, 2023 and at that time the Council will formally consider approval of Annexation No. 13.

**Fiscal Impact**

The Owners have made a deposit to pay for the costs of the Annexation.

The Annexation will result in property owners paying a tax of \$917.08 per unit for single family property plus an annual escalation of the greater of CPI or 4%.

**Attachments**

- Attachment 1- Project Map
- Attachment 2- Resolution of Intention
- Exhibit A-Description of Proposed Territory to be Annexed
- Exhibit B-City of Lake Elsinore
- Exhibit C-Rate and Method of Apportionment
- Exhibit D-Annexation and Potential Boundary Maps
- Exhibit E-Petition
- Exhibit F-Notice of Public Hearing
- Exhibit G-Ballot