

COMMUNITY FACILITIES DISTRICT NO. 2023-01

PUBLIC SAFETY SERVICES

ANNUAL
SPECIAL TAX &

REPORT

REPORT DATE: MAY 2025

2025/26

CITY OF MORENO VALLEY
SPECIAL DISTRICTS DIVISION
FINANCIAL & MANAGEMENT SERVICES DEPARTMENT

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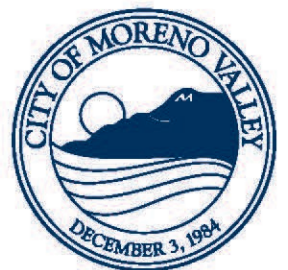


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I. INTRODUCTION

This Annual Special Tax Report is prepared in compliance with Section 53343.1 of the Mello-Roos Community Facilities Act of 1982 (Government Code Section 53311 et seq.) (the “Act”) for the City of Moreno Valley Community Facilities District No. 2023-01 (Public Safety Services).

A. Description of Proceedings

The City Council of the City of Moreno Valley formed the City of Moreno Valley Community Facilities District (CFD) No. 2023-01 (the “District”) to fund public safety services related to police protection, fire protection and suppression, and paramedic services. The District was established under the authority of the Act. Property owners whose new development projects have been approved with the condition of providing an ongoing funding source for 1) police protection services, 2) fire protection and suppression services and/or 3) paramedic services can annex into the District. By annexing into the District, a qualified elector (i.e. property owner or registered voter) authorizes the City to levy the special tax on their property tax bill. Revenue received from the special tax funds the specified services. A summary of the actions taken in the formation of the District, including approval of the rate and method of apportionment of the special tax (RMA) and its amendments, is listed below.

Table 1: Summary of Actions

Document	Number	Date
Resolution of Intention to Establish the District	2023-68	October 17, 2023
Public Hearing to Establish the District		November 21, 2023
Resolution Establishing the District and Calling for a Special Election	2023-82	November 21, 2023
Resolution Declaring the Results of the Special Election	2023-83	November 21, 2023
Ordinance Authorizing the Levy of a Special Tax	1004	December 5, 2023
Resolution of Intention to Designate the Future Annexation Area	2024-01	January 16, 2024
Public Hearing to Designate the Future Annexation Area for the District		February 20, 2024
Ordinance Designating the Future Annexation Area for the District	1007	March 5, 2024

B. The District

The District was formed in 2023 to provide a funding mechanism for operational costs for public safety services.

i. Boundaries of the District

The Boundary Map was recorded on January 19, 2024, in Book 92 at Page 55 of the Maps of Assessment and Community Facilities Districts as Instrument Number 2024-0017904, with the Riverside County Office of the County Recorder.

ii. Boundaries of the Future Annexation Area

Aside from the territory that formed the District when the future annexation area was established, the boundaries of the future annexation area encompass the remaining areas within the City boundary at the time the RMA and the Future Annexation area Boundary Map was approved.

iii. Future Annexations

As a condition of approval of development projects, property owners are required to provide an ongoing funding source to support the need for enhanced police protection, fire protection and suppression, and paramedic services created by the proposed development. The property owner can annex into the District and authorize the levy of the annual special tax and placed on their property tax bill, to fund the service(s) or form a Home or Property Owners Association or fund an endowment to cover the ongoing obligation for the project.

A list of developments whose parcels were annexed into the District are included in Appendix A.

iv. Description of Services

Revenue received from the special tax can be used to fund the public safety services within the District, as further described below:

Police Protection Services

Police protection services within the public right-of-way for the District. Fundable costs may include, but are not limited to: (i) direct costs for such services, (ii) salaries and benefits of City staff, (iii) expenses related to equipment, apparatus, and supplies related to these services, (iv) City administrative and overhead costs associated with providing such services within the CFD, and (v) lifecycle costs associated with the repair and replacement of facilities and improvements used to provide such services.

Fire Protection and Suppression Services

Fire protection and suppression services within the public right-of-way for the District. Fundable costs may include, but are not limited to: (i) direct costs for such services, (ii) salaries and benefits of City staff, (iii) expenses related to equipment, apparatus, and supplies related to these services, (iv) City administrative and overhead costs associated with providing such services within the CFD, and (v) lifecycle costs associated with the repair and replacement of facilities and improvements used to provide such services.

Paramedic Services

Paramedic services within the public right-of-way for the District. Fundable costs may include, but are not limited to: (i) direct costs for such services, (ii) salaries and benefits of City staff, (iii) expenses related to equipment, apparatus, and supplies related to these services, (iv) City administrative and overhead costs associated with providing such services within the CFD, and (v) lifecycle costs associated with the repair and replacement of facilities and improvements used to provide such services.

Nothing within the description of services or any Resolution of the City Council shall be construed as committing the City or the District to provide all of the authorized services. The provision of services shall be subject to the availability of sufficient proceeds of special taxes within each Tax Rate Area of the District.

II. COMPUTATION OF THE SPECIAL TAX REQUIREMENT

The City is authorized to levy the special tax consistent with the RMA, which was approved by the legislative body and the qualified electors of the District at the time of annexation. The special tax requirement includes additional public safety operational costs needed to serve new residential and non-residential development, administrative expenses, and replenishment of the contingency reserve fund for each year. Other available revenues are accounted for when calculating the special tax and may be used to offset the annual special tax requirement.

A. Annual Escalation Factor

On each July 1 following the year the tax rate areas were established ("Base Year"), the maximum special tax rates shall be increased by the greater of the increase in the annual percentage change in the Consumer Price Index (CPI) or five percent (5%). The CPI is based on the Department of Labor, Bureau of Labor Statistics, Regional Consumer Price Index for All Urban Consumers for Riverside-San Bernardino-Ontario County.¹

Table 2: Annual Escalation

Fiscal Year	% Change in CPI	% Used to Increase Maximum Rates
2025/26	2.61%	5.00%

B. Annual Services Costs

The District shall provide the ongoing public safety services related to police protection, fire protection and suppression, and paramedic services needed for new residential and non-residential development, as defined in Section I.B.iv.

C. Administrative Expenses

Administrative expenses are directly related to the administration of the District. These expenses include the cost of preparing the annual special tax report, calculating the special tax rates, preparing for and receiving the legislative body's approval, and levying the charges on the property tax roll. Costs may also include the City's expense to respond to public inquiries and coordinate with consultants, accountants, auditors, attorneys, and other professional services, as well as administrative services and project management provided by the City to monitor special tax installments, delinquencies, and related laws. Additional expenses include, but are not limited to, the cost of the City's general administrative services overhead for personnel support, building and maintenance, insurance, City Council support, City Manager support, purchasing, and communications.

¹ If the CPI for the Riverside-San Bernardino-Ontario County area is discontinued, the CFD administrator may replace it with a similar index for the purposes of calculating the Annual Escalation Factor. Different tax escalation factors may be identified in Tax Zones added to the District as a result of future annexations.

D. Reserve Fund

Operating reserves (cash flow to fund services until the first installment of the property tax levy is received) and Repair and Replacement reserves (to cover repair or replacement needs), if applicable, will be maintained for the District.

E. Special Tax Requirement

The Special Tax Requirement calculation is provided in the following table:

Table 3: Proposed Special Tax Requirement

SPECIAL TAX REQUIREMENT	
Agency Services - County	\$ 100,000.00
Fixed Charges (Overhead, Administration, & Replacement)	5,000.00
Gross Special Tax Requirement ¹	\$ 105,000.00
CREDITS: CONTRIBUTIONS & TRANSFERS	
Estimated FY 25/26 Loan Repayment ²	\$ -
Fund Balance Contribution/(Draw) ³	(71,857.50)
Total Contributions/Transfers	\$ (71,857.50)
TOTAL NET SPECIAL TAX REQUIREMENT	\$ 33,142.50
¹ Based on the proposed budget.	
² Short term loan to cover shortfall. Will be trued up with in next FY.	
³ The negative fund balance will be covered by a short term loan from the General Fund.	

III. SPECIAL TAX CALCULATION

A levy of special tax shall be collected annually at the same time and in the same manner as the ad valorem property taxes are collected and shall be subject to the same penalties and the same procedure, sale and lien priority in case of delinquency as applicable for ad valorem taxes; however, the legislative body may use a direct billing procedure for any special taxes that cannot be collected on the Riverside County property tax bill or if necessary, may by resolution, elect to collect the special taxes at a different time or in a different manner to meet its financial obligations.

A. Special Tax Rate

The special tax rate that can be levied by the legislative body in any fiscal year is calculated using the Land Use Categories listed in Table 3.

Table 4: Land Use Categories

Property Type		Per
Residential Property		
Accessory Dwelling Unit	Unit ¹	
Single Family Property	Unit ¹	
Multi-Family Property	Unit ¹	
Mobile Home Property	Unit ¹	
Non - Residential ²		
Commercial Property	1,000 Feet of Building Square Footage	
Office Property	1,000 Feet of Building Square Footage	
Industrial Property	1,000 Feet of Building Square Footage	
Undeveloped Property		
	Parcel	
¹ Unit as defined in the RMA.		
² Non - Residential is defined as commercial, industrial, Office or any other entity as defined in the RMA.		

In accordance with the RMA, no Special Tax shall be levied on Agricultural Property, Property Owner Association Property, Welfare Exempt Property or Public Property, except as otherwise provided in Sections 53317.3 and 53317.5 of the Act.

Table 5: Special Tax Rate

Property Type		Unit of Calculation	Maximum Special Tax Rate		Applied Special Tax Rate	
Residential Property						
Accessory Dwelling Unit		Unit	\$	216.30	\$	216.30
Single Family		Unit	\$	254.10	\$	254.10
Multi-Family		Unit	\$	216.30	\$	216.30
Mobile Home		Unit	\$	254.10	\$	254.10
Non Residential Property						
Commercial	1,000 Feet of Building Square Footage		\$	58.80	\$	58.80
Office	1,000 Feet of Building Square Footage		\$	58.80	\$	58.80
Industrial	1,000 Feet of Building Square Footage		\$	58.80	\$	58.80
Undeveloped Property						
All	Parcel		\$	-	\$	-

B. Method of Apportionment

For each fiscal year, the legislative board shall determine the amount of the special tax to be levied and collected for each Tax Rate Area separately. The amount required shall include an amount necessary to pay for: (i) the Services funded by the CFD; (ii) Administrative Expenses; (iii) any amounts required to establish or replenish any Reserve Funds; and (iv) any reasonably anticipated delinquent special taxes based on the delinquency rate for any Special Tax levied in the previous Fiscal Year (collectively defined as the “Special Tax Requirement”). The special tax can be levied on all non-exempt parcels in the District, in an amount per DU, based on the Land Use Categories, up to the Special Tax Requirement. The amount of special tax to be levied on any parcel cannot exceed the amount calculated by multiplying the DUs for the parcel by the maximum special tax rate for the fiscal year.

C. Delinquencies

There are currently no special tax delinquencies to report.

IV.SPECIAL TAX ALLOCATION (TAX ROLL)

The special tax shall be levied on all taxable property annexed into the District. Appendix C includes a list of each assessor's parcel number and the applicable maximum and applied special taxes for all tax rate areas applicable to the parcel.

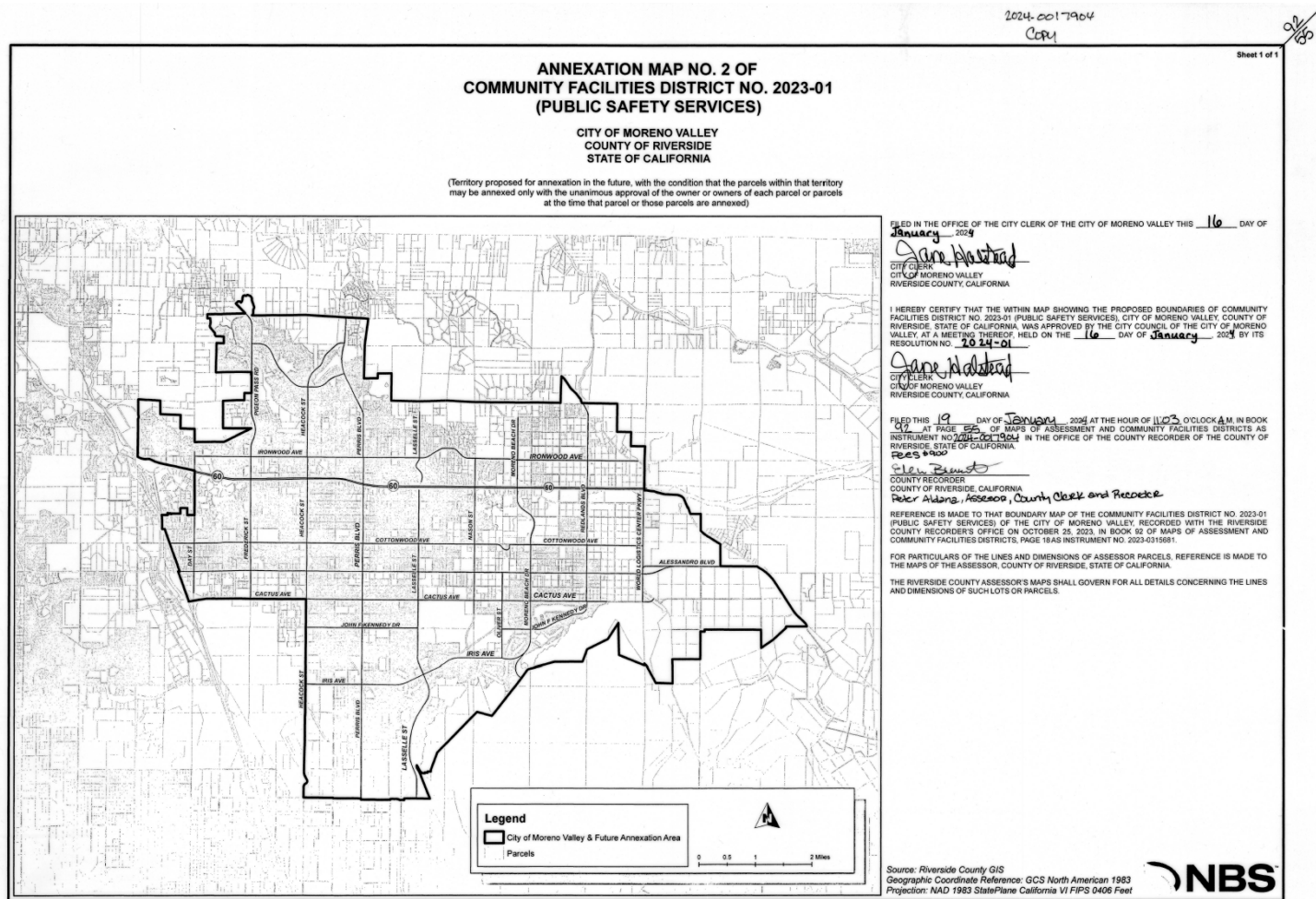
Appendix A: Annexations

Amendment Number	Tract No./Development	Number of Parcels	Resolution No.	Date of Annexation	Tax Rate Areas & Categories
2	TR - 38237, Bella Sara	78	2023-82	October 17, 2023	Single Family
3	ADU - 13781 Nathan Pl.	1	2024-43	August 20, 2024	Accessory Dwelling Unit
4	ADU - 15123 Charlee Ct.	1	2024-43	August 20, 2024	Accessory Dwelling Unit
5	MV Home 2 Hilton Hotel	1	2024-43	August 20, 2024	Commercial
6	ADU - 14597 Cochiti Dr.	1	2024-43	August 20, 2024	Accessory Dwelling Unit
7	ADU - 24858 Corley Ct.	1	2024-43	August 20, 2024	Accessory Dwelling Unit
8	ADU - 16679 Perris Blvd.	1	2024-43	August 20, 2024	Accessory Dwelling Unit
9	Arco AM/PM Service Station	1	2024-49	September 3, 2024	Commercial
10	ADU - 23811 Bouquet Canyon	1	2024-49	September 3, 2024	Accessory Dwelling Unit
11	ADU - 11604 Blue Jay Ct.	1	2024-57	October 1, 2024	Accessory Dwelling Unit
12	Jr. ADU - 25154 Joshua Ave.	1	2024-57	October 1, 2024	Accessory Dwelling Unit
13	ADU - 15944 Sulphur Springs Rd.	1	2024-57	October 1, 2024	Accessory Dwelling Unit
14	ADU - 13050 Pepperbush Dr.	1	2024-66	December 3, 2024	Accessory Dwelling Unit
15	Jr ADU & ADU - 16211 & 16213 Starview St.	1	2024-57	October 1, 2024	Accessory Dwelling Unit
16	TR - 38442, Sunset Crossings	2	2024-57	October 1, 2024	Single Family
17	ADU - 24899 Citadel St.	1	2024-57	October 1, 2024	Accessory Dwelling Unit
18	ADU - 23279 Gerbera St.	1	2024-57	October 1, 2024	Accessory Dwelling Unit
19	ADU & Jr. ADU - 24785 & 24787 Valecrest Dr.	1	2024-57	October 1, 2024	Accessory Dwelling Unit
20	ADU - 17919 Camino Del Rey	1	2024-62	November 19, 2024	Accessory Dwelling Unit
21	ADU - 25143 Silent Creek Rd.	1	2024-57	October 1, 2024	Accessory Dwelling Unit
22	TR - 38265, Alessandro Walk	1	2024-62	November 19, 2024	Single Family
23	ADU & Jr. ADU - 24885 & 24889 Basswood St.	1	2024-66	December 3, 2024	Accessory Dwelling Unit
24	ADU - 24519 Myers Ave.	1	2024-62	November 19, 2024	Accessory Dwelling Unit
25	Jr. ADU - 24594 Webster Ave.	1	2024-62	November 19, 2024	Accessory Dwelling Unit
26	Jr. ADU - 23145 Surtees Ct.	1	2024-66	December 3, 2024	Accessory Dwelling Unit
27	ADU - 13319 Sunflower Ct.	1	2025-01	January 7, 2025	Accessory Dwelling Unit
28	ADU - 12392 Tuscola St.	1	2024-62	November 19, 2024	Accessory Dwelling Unit
29	TR - 31494, Rancho Belago Estates	9	2025-01	January 7, 2025	Single Family
30	ADU - 12165 Wind River Cir.	1	2025-07	February 18, 2025	Accessory Dwelling Unit
31	ADU - 25675 Laurelwood Pl.	1	2025-01	January 7, 2025	Accessory Dwelling Unit
32	ADU - 25550 Delphinium Ave.	1	2025-01	January 7, 2025	Accessory Dwelling Unit
33	ADU - 14214 Travers Dr.	1	2025-07	February 18, 2025	Accessory Dwelling Unit
34	ADU & Jr. ADU - 24087 & 24089 Pleasant Run Rd.	1	2025-07	February 18, 2025	Accessory Dwelling Unit
35	ADU & Jr ADU - 24823 & 24821 Carolyn Ave.	1	2025-07	February 18, 2025	Accessory Dwelling Unit
36	ADU - 12917 Raenette Way	1	2025-01	January 7, 2025	Accessory Dwelling Unit
38	ADU - 24688 Rugby Ln.	1	2025-07	February 18, 2025	Accessory Dwelling Unit
39	ADU - 24082 Mt. Russell Dr.	1	2025-07	February 18, 2025	Accessory Dwelling Unit
40	Jan Peterson Development Expansion	2	2025-07	February 18, 2025	Commercial
42	ADU - 13070 Ninebark St.	1	2025-07	February 18, 2025	Accessory Dwelling Unit
41	ADU - 13179 Gina Ave.	1	2025-11	March 4, 2025	Accessory Dwelling Unit
43	Quick Quack Car Wash	1	2025-11	March 4, 2025	Commercial
44	ADU - 13851 Robin Nest Ct.	1	2025-11	March 4, 2025	Accessory Dwelling Unit
45	ADU - 25553 Sand Creek Trl.	1	2025-11	March 4, 2025	Accessory Dwelling Unit
47	ADU - 24647 Ormista Dr.	1	2025-11	March 4, 2025	Accessory Dwelling Unit
53	ADU - 25643 Onate Dr.	1	2025-11	March 4, 2025	Accessory Dwelling Unit
37	ADU - 11514 Kitching St.	1	2025-19	April 1, 2025	Accessory Dwelling Unit
48	WCSS Moreno Valley Storage	2	2025-19	April 1, 2025	Commercial
50	Custom Home - Kimberly Ave.	1	2025-19	April 1, 2025	Single Family
51	ADU - 12035 Racket Ct.	1	2025-19	April 1, 2025	Accessory Dwelling Unit
52	Tru by Hilton Hotel	1	2025-19	April 1, 2025	Commercial
54	ADU - 26371 Helene Dr.	1	2025-19	April 1, 2025	Accessory Dwelling Unit
55	ADU - 24236 Atwood Ave.	1	2025-19	April 1, 2025	Accessory Dwelling Unit

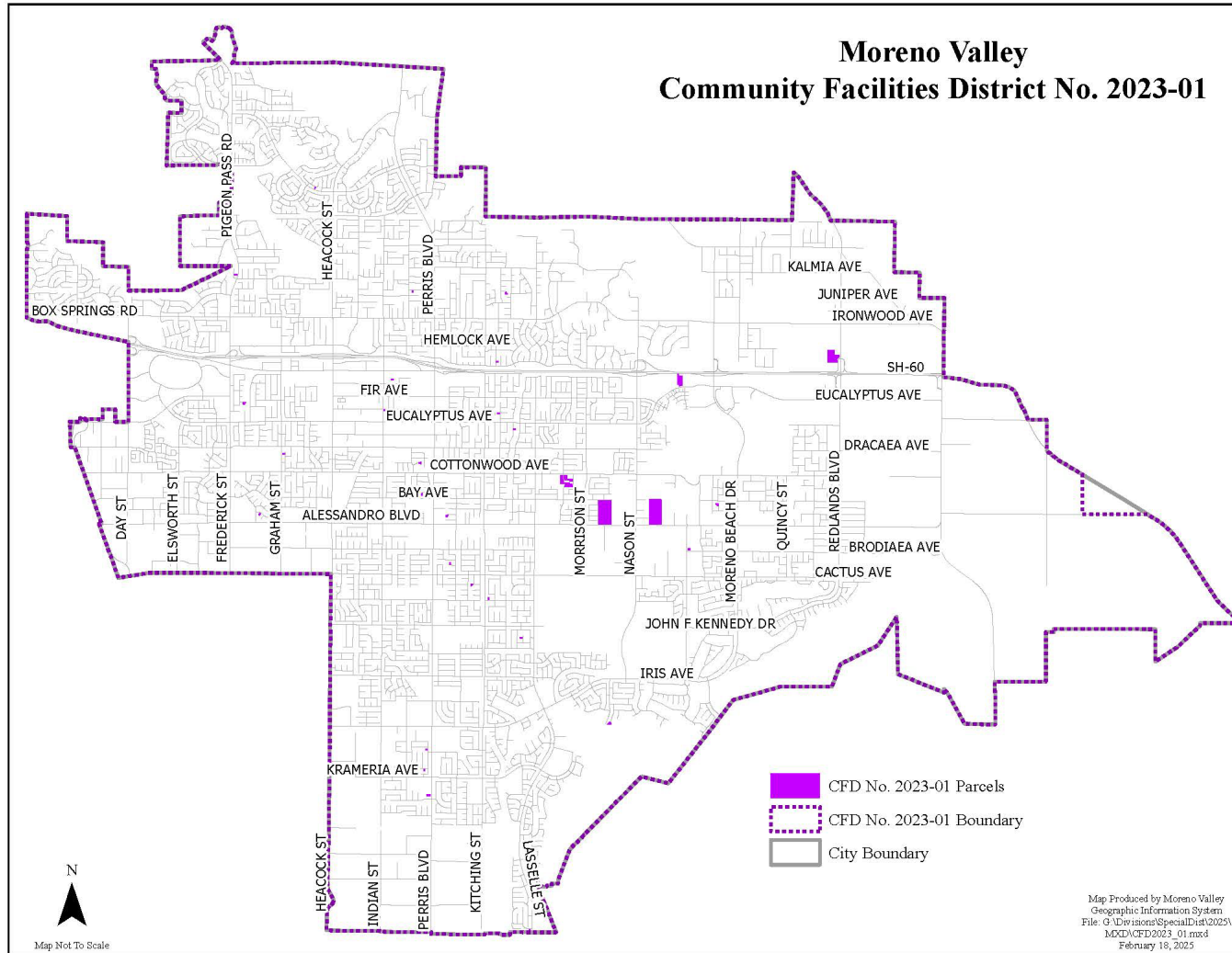
Amendment Number	Tract No./Development	Number of Parcels	Resolution No.	Date of Annexation	Tax Rate Areas & Categories
56	Express Car Wash	1	2025-19	April 1, 2025	Commercial
57	ADU - 25161 Silver Arrow Dr.	1	2025-19	April 1, 2025	Accessory Dwelling Unit
60	ADU - 24819 Atwood Ave.	1	2025-19	April 1, 2025	Accessory Dwelling Unit
49	ADU - 13805 Roderick Dr	1	2025-25	May 6, 2025	Accessory Dwelling Unit
58	ADU - 25251 Turquoise Ln	1	2025-25	May 6, 2025	Accessory Dwelling Unit
59	ADU - 14925 Spinnaker Ln.	1	2025-25	May 6, 2025	Accessory Dwelling Unit
61	MOSS Toyota Expansion	2	2025-25	May 6, 2025	Commercial
62	Car Pros KIA (PEN24-0094)	2	2025-25	May 6, 2025	Commercial
63	ADU - 25198 Gentian Ave	1	2025-25	May 6, 2025	Accessory Dwelling Unit
65	ADU - 25337 Yolanda Ave	1	2025-25	May 6, 2025	Accessory Dwelling Unit
66	ADU 11885 & ADU JR - 11887 Villa Hermosa	1	TBD ²	June 3,2025	Accessory Dwelling Unit
67	Custom Home, Webb St. Development #1	1	TBD ²	June 3,2025	Single Family
68	Custom Home, Webb St. Development #2	1	TBD ²	June 3,2025	Single Family
69	Jr ADU - 12051 Harclare Dr	1	TBD ²	June 3,2025	Accessory Dwelling Unit
70	ADU - 29122 Carillo Ct	1	TBD ²	June 3,2025	Accessory Dwelling Unit
71	ADU - 23849 Hemlock Ave.	1	TBD ²	June 3,2025	Accessory Dwelling Unit
Original District	TR 38237	78			
Total Annexed Parcels		80			
Total Parcels		158			
¹ Parcel counts may be updated from time to time due to the recordation of parcel or tract maps. ⁴ Subject to City Council approval, scheduled for May 6, 2025.					

Appendix B: District Boundary Maps

Map 1: Future Annexation Area



Map 2: CFD No. 2023-01 Parcels



Appendix C: Special Tax Allocation (Tax Roll)

APN	FY 2025/26 Applied Rate	APN	FY 2025/26 Applied Rate	APN	FY 2025/26 Applied Rate	APN	FY 2025/26 Applied Rate	APN	FY 2025/26 Applied Rate
260211039	216.30	482152032	216.30	486630012	254.10	486630035	254.10	486630058	254.10
264440015	216.30	482203006	432.60	486630013	254.10	486630036	254.10	486630059	254.10
292061017	216.30	482363004	432.60	486630014	254.10	486630037	254.10	486630060	254.10
292241003	2,094.26	482481024	216.30	486630015	254.10	486630038	254.10	486630061	254.10
296111021	216.30	482633031	216.30	486630016	254.10	486630039	254.10	486630062	254.10
296223029	432.60	482652020	216.30	486630017	254.10	486630040	254.10	486630063	254.10
308620013	216.30	484121040	216.30	486630018	254.10	486630041	254.10	486630064	254.10
312342011	216.30	484191006	216.30	486630019	254.10	486630042	254.10	486630065	254.10
316061002	432.60	484201008	216.30	486630020	254.10	486630043	254.10	486630066	254.10
316092012	216.30	485075002	216.30	486630021	254.10	486630044	254.10	486630067	254.10
316133034	216.30	486025004	216.30	486630022	254.10	486630045	254.10	486630068	254.10
474170001	216.30	486240017	205.80	486630023	254.10	486630046	254.10	486630069	254.10
474181003	216.30	486630001	254.10	486630024	254.10	486630047	254.10	486630070	254.10
475221010	432.60	486630002	254.10	486630025	254.10	486630048	254.10	486630071	254.10
479422042	216.30	486630003	254.10	486630026	254.10	486630049	254.10	486630072	254.10
479515009	216.30	486630004	254.10	486630027	254.10	486630050	254.10	486630073	254.10
479531029	216.30	486630005	254.10	486630028	254.10	486630051	254.10	486630074	254.10
479562006	216.30	486630006	254.10	486630029	254.10	486630052	254.10	486630075	254.10
479563003	216.30	486630007	254.10	486630030	254.10	486630053	254.10	486630076	254.10
479615017	216.30	486630008	254.10	486630031	254.10	486630054	254.10	486630077	254.10
481090018	2,586.94	486630009	254.10	486630032	254.10	486630055	254.10	486630078	254.10
481161018	216.30	486630010	254.10	486630033	254.10	486630056	254.10	487111026	216.30
481230001	216.30	486630011	254.10	486630034	254.10	486630057	254.10	488370030	216.30
Subtotal 1	\$9,872.40	Subtotal 2	\$5,812.80	Subtotal 3	\$5,844.30	Subtotal 4	\$5,844.30	Subtotal 5	\$5,768.70

Special Tax Levy

Subtotal 1	\$ 9,872.40
Subtotal 2	\$ 5,812.80
Subtotal 3	\$ 5,844.30
Subtotal 4	\$ 5,844.30
Subtotal 5	\$ 5,768.70
Total Tax Roll:	\$ 33,142.50

Parcel Count w/ Levy

Subtotal 1	23
Subtotal 2	23
Subtotal 3	23
Subtotal 4	23
Subtotal 5	23
Total Parcel Count	115