

ORDINANCE NO. 2020-____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LAKE ELSINORE, CALIFORNIA, AMENDING ORDINANCE NO. 2016-1359 OF THE CITY COUNCIL OF THE CITY OF LAKE ELSINORE, CALIFORNIA, ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2015-2 OF THE CITY OF LAKE ELSINORE (MAINTENANCE SERVICES) AUTHORIZING THE LEVY OF SPECIAL TAXES

Whereas, pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Act"), on July 28, 2015, the City Council (the "City Council") of the City of Lake Elsinore (the "City") adopted Resolution No. 15-078 establishing Community Facilities District No. 2015-2 (Maintenance Services) of the City of Lake Elsinore, County of Riverside, State of California (the "CFD No. 2015-2") for the purpose of levying special taxes on parcels of taxable property therein for the purpose of providing certain services (the "Services"), which are necessary to meet increased demands placed upon the City and are described in Exhibit A attached hereto; and,

Whereas, on May 10, 2016, the City Council adopted Ordinance No. 2016-1359 entitled, "An Ordinance of the City of Council of the City of Lake Elsinore, California, acting in its capacity as the legislative body of Community Facilities District No. 2015-2 of the City of Lake Elsinore (Maintenance Services) authorizing the levy of special tax" ("Ordinance No. 2015-1359"), pursuant to which the City Council levied special taxes with the CFD No. 2015-2; and,

Whereas, on October 22, 2019, the City Council adopted Resolution No. 2019-086 entitled "A Resolution of the City Council of the City of Lake Elsinore Declaring its Intention to Annex Territory into Community Facilities District No. 2015-2 (Maintenance Services) of the City of Lake Elsinore, Adopting a Map of the Area to be Proposed (Annexation No. 8) and Authorizing the Levy of a Special Taxes Therein" (the "Resolution of Intention") declaring its intention to annex certain territory to the CFD No. 2015-2 and to levy special taxes within that territory to provide the Services as described in the Resolution of Intention and setting a special public hearing on the proposed annexation for December 10, 2019; and,

Whereas, notice was published as required by the Act relative to the intention of the City Council to annex certain territory to the CFD No. 2015-2, to levy special taxes therein to provide the Services, and to set the time and place of said public hearing; and,

Whereas, on December 10, 2019, at the time and place specified in said published notice, the City Council opened and held a public hearing as required by the Act relative to the annexation of territory in to the CFD No. 2015-2, the levy of the special taxes therein, and the provision of Services by the CFD No. 2015-2; and,

Whereas, at said public hearing all persons desiring to be heard on all matters pertaining to the annexation of territory to the CFD No. 2015-2, the levy of the special taxes therein, and the provision of Services therein were heard, and a full and fair hearing was held; and,

Whereas, subsequent to said public hearing, the City Council adopted Resolution No. 19-____ entitled "A Resolution of the City Council of the City of Lake Elsinore, California, Calling an Election to Submit to the Qualified Electors the Question of Levying a Special Tax Within the Area Proposed to be Annexed to Community Facilities District No. 2015-2 (Maintenance Services) (Annexation No. 8)" (the "Resolution Calling the Election") on December 10, 2019, wherein the City Council submitted the question of levying a special tax in territory proposed to be annexed to

the CFD No. 2015-2 at the rate and according to the method of apportionment described therein; and,

Whereas, at said special election on December 10, 2019, the qualified electors of the territory proposed to be annexed to the CFD No. 2015-2 approved said propositions as described in the Resolution Calling the Special Election by more than the two-thirds vote required by the Act; and,

Whereas, subsequent to said special election, the City Council adopted Resolution No. 19-____ entitled "A Resolution of the City Council of the City of Lake Elsinore, California, Declaring the Election Results for Community Facilities District No. 2015-2 (Maintenance Services) (Annexation No. 8)" wherein the City Council determined that the territory proposed to be annexed was added to the CFD No. 2015-2 (such territory being referred to herein as "Annexation No. 8").

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAKE ELSINORE, ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2015-2 (MAINTENANCE SERVICES) OF THE CITY OF LAKE ELSINORE, DOES ORDAIN AS FOLLOWS:

Section 1. Recitals. The foregoing recitals are true and correct.

Section 2. Amendment to Exhibit B of Ordinance No. 2016-1359. Ordinance No. 2016-1359 is hereby amended by including Exhibit B to Ordinance No. 2016-1359 attached hereto.

Section 3. Amendment to Section 2 of Ordinance No. 2016-1359. Section 2 of Ordinance No. 2016-1359 is hereby amended by deleting it in its entirety and replacing it with the following:

Section 2. By the passage of this Ordinance, the City Council authorizes and levies special taxes within the District which are subject to taxation which are identified in Exhibit B attached hereto, pursuant to Sections 53328 and 53340 of the Act at the rates and in accordance with the rate and method of apportionment set forth in Exhibit A attached hereto, which is incorporated by reference herein (the "Rate and Method"). The special taxes are hereby levied commencing the fiscal year specified in the Rate and Method and in each fiscal year thereafter so long as the services authorized to be finance by the District, are provided through such financing within the District.

Section 4. Future Annexations. The annexation of additional territory into the CFD No. 2015-2 was contemplated as part of the adoption of Resolution No. 15-066. The boundaries of the territory within which any property may annex to the CFD No. 2015-2 are more particularly described and shown on that certain map entitled "Boundaries – Potential Annexation Area Community Facilities District No. 2015-2 (Maintenance Services) City of Lake Elsinore, County of Riverside, State of California," as recorded on August 19, 2015 in Book 78 of Maps of Assessment and Community Facilities District, at Page 74, and as Document No. 2015-0369598 in the official records of the County of Riverside. Following a public hearing and the adoption of resolutions required by the Act for any additional annexations of property within said potential annexation area, Revised Exhibit B of Ordinance No. 2016-1359 shall be further amended to include any additional territory annexed to the CFD No. 2015-2. The City Council hereby authorizes and directs the officers, employees, and agents of the City to take all actions and do all things which they, or any of them, may deem necessary or desirable to accomplish the purposes of this Section 4 of this Ordinance to further include Exhibit B to Ordinance No. 2016-1359.

Section 5. Severability. If for any reason any portion of this Ordinance is found to be invalid, or if the special taxes found inapplicable to any particular parcel within the CFD No. 2015-2, by a court of competent jurisdiction, the balance of this Ordinance and the application of the special tax to the remaining parcels within the CFD No. 2015-2 shall not be affected.

Section 6. Authorization to Publish Ordinance. The Mayor shall sign this Ordinance and the City Clerk shall attest thereto and shall, within fifteen (15) days of its adoption, cause it or a summary of it to be published at least once in The Press Enterprise, a newspaper of general circulation published and circulated in the City and the CFD No. 2015-2.

Section 7. Effective Date. This Ordinance shall take effect and shall be in force thirty (30) days after the date of its adoption, at which time Revised Exhibit B will include Exhibit B to Ordinance No. 2016-1359 and Section 2 of Ordinance No. 2016-1359 will be amended as described herein.

Passed and Adopted by the City Council of the City of Lake Elsinore at a regular meeting held on 14th day of January of 2020 by the following vote:

Mayor

Attest:

APPROVED AS TO FORM:

Candice Alvarez, MMC
City Clerk

Barbara Leibold
City Attorney

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF LAKE ELSINORE)

I, Candice Alvarez, MMC, City Clerk of the City of Lake Elsinore, California, do hereby certify that Ordinance No. 2020-_____ was introduced at the regular City Council meeting of December 10, 2019, and adopted at the regular meeting of January 14, 2020, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Candice Alvarez, MMC
City Clerk

EXHIBIT A

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2015-2 (MAINTENANCE SERVICES) OF THE CITY OF LAKE ELSINORE

A Special Tax (the "Special Tax") shall be levied on and collected from each Assessor's Parcel (defined below) in Community Facilities District No. 2015-2 (Maintenance Services) (the "CFD No. 2015-2" or "CFD"; defined below), in each Fiscal Year, (defined below), commencing in the Fiscal Year beginning July 1, 2015, in an amount determined by the City Council of the City of Lake Elsinore, acting ex officio as the legislative body of CFD No. 2015-2, by applying the rate and method of apportionment set forth below. All of the real property in CFD No. 2015-2, unless exempted by law or by the provisions herein, shall be taxed to the extent and in the manner provided herein.

A. DEFINITIONS

"Acre" or "Acreage" means the land area of an Assessor's Parcel as shown on any Assessor's Parcel Map, or if the land area is not shown on the Assessor's Parcel Map, the land area as shown on the applicable Final Map, or if the area is not shown on the applicable Final Map, the land area shall be calculated by the Administrator.

"Administrative Expenses" means the actual or reasonably estimated costs directly related to the formation, annexation, and administration of CFD No. 2015-2 including, but not limited to: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or designee thereof or both); the costs to the City, CFD No. 2015-2, or any designee thereof associated with fulfilling the CFD No. 2015-2 disclosure requirements; the costs associated with responding to public inquiries regarding the Special Taxes; the costs of the City, CFD No. 2015-2 or any designee thereof related to an appeal of the Special Tax; and the City's annual administration fees including payment of a proportional share of salaries and benefits of any City employees and City overhead whose duties are related to the administration and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 2015-2 for any other administrative purposes of CFD No. 2015-2, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

"Administrator" means the City Manager of the City of Lake Elsinore, or his or her designee.

"Approved Property" means all Assessor's Parcels of Taxable Property that are included in a Final Map that was recorded prior to the March 1 preceding the Fiscal Year in which the Special Tax is being levied, and that have not been issued a building permit on or prior to the March 1 preceding the Fiscal year in which the special tax is being levied.

"Assessor's Parcel" means a lot or parcel of land that is identifiable by an Assessor's Parcel Number by the County Assessor of the County of Riverside.

"Assessor's Parcel Map" means an official map of the Assessor of the County designating parcels by Assessor's Parcel Number.

"Assessor's Parcel Number" means that identification number assigned to a parcel by the County Assessor of the County.

“Building Square Footage” or **“BSF”** means the floor area square footage reflected on the original construction building permit issued for construction of a building of Non-Residential Property and any Building Square Footage subsequently added to a building of such Taxable Property after issuance of a building permit for expansion or renovation of such building.

“Calendar Year” means the period commencing January 1 of any year and ending the following December 31.

“CFD” or **“CFD No. 2015-2”** means the City of Lake Elsinore Community Facilities District No. 2015-2 (Maintenance Services).

“City” has the meaning set forth in the preamble.

“Contingent Special Tax B Requirement” means that amount required in any Fiscal Year, if the POA is unable to maintain the Service(s) to: (i) pay the costs of Services incurred or otherwise payable in the Calendar Year commencing in such Fiscal Year; (ii) fund an operating reserve for the costs of Services as determined by the Administrator; less a credit for funds available to reduce the annual Special Tax B (Contingent) levy as determined by the Administrator.

“County” means the County of Riverside.

“Developed Property” means all Assessor’s Parcels of Taxable Property for which a building permit for new construction has been issued on or prior to March 1 preceding the Fiscal Year in which the Special Tax is being levied.

“Exempt Property” means all Assessors’ Parcels designated as being exempt from the Special Tax as provided for in Section G.

“Final Map” means a subdivision of property by recordation of a final map, parcel map, or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 1352 that creates individual lots for which building permits may be issued without further subdivision.

“Fiscal Year” means the period from and including July 1st of any year to and including the following June 30th.

“Land Use Category” or **“LUC”** means any of the categories contained in Section B hereof to which an Assessor’s Parcel is assigned consistent with the land use approvals that have been received or proposed for the Assessor’s Parcel as of March 1 preceding the Fiscal Year in which the Special Tax is being levied.

“Maximum Special Tax” means either Maximum Special Tax A and/or Maximum Special Tax B (Contingent), as applicable.

“Maximum Special Tax A” means the Maximum Special Tax A, as determined in accordance with Section C below that can be levied in any Fiscal Year on any Assessor's Parcel of Taxable Property within CFD No. 2015-2.

“Maximum Special Tax B (Contingent)” means the Maximum Special Tax B (Contingent), as determined in accordance with Section C below that can be levied in any Fiscal Year on any Assessor's

Parcel of Taxable Property within CFD No. 2015-2.

“Multi-Family Residential Property” means any Assessor’s Parcel of residential property that consists of a building or buildings comprised of attached Residential Units sharing at least one common wall with another unit.

“Non-Residential Property” or **“NR”** means all Assessor's Parcels of Taxable Property for which a building permit(s) was issued for a non-residential use. The Administrator shall make the determination if an Assessor’s Parcel is Non-Residential Property.

“Property Owner’s Association” or **“POA”** means the property owner’s association or homeowner’s association established to maintain certain landscaping within a Tax Zone.

“Proportionately” means for Taxable Property that is: (i) Developed Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is the same for all Parcels of Developed Property with the same Tax Zone, (ii) Approved Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is the same for all Parcels of Approved Property with the same Tax Zone, and (iii) Undeveloped Property that the ratio of the actual Special Tax levy per acre to the Maximum Special Tax per acre is the same for all Parcels of Undeveloped Property with the same Tax Zone.

“Residential Unit” or **“RU”** means a residential unit that is used or intended to be used as a domicile by one or more persons, as determined by the Administrator.

“Residential Property” means all Assessor’s Parcels of Taxable Property upon which completed Residential Units have been constructed or for which building permits have been or may be issued for purposes of constructing one or more Residential Units.

“Service(s)” means services permitted under the Mello-Roos Community Facilities Act of 1982 including, without limitation, those services authorized to be funded by CFD No. 2015-2 as set forth in the documents adopted by the City Council at the time the CFD was formed.

“Single Family Residential Property” means any residential property other than Multi-Family Residential Property on an Assessor’s Parcel.

“Special Tax(es)” means the Special Tax A and/or Special Tax B (Contingent) to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property.

“Special Tax A” means the annual special tax to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property to fund the Special Tax A Requirement.

“Special Tax A Requirement” means for each Tax Zone, that amount to be collected in any Fiscal Year to pay for certain costs as required to meet the needs for such Tax Zone of CFD No. 2015-2 in both the current Fiscal Year and the next Fiscal Year. The costs to be covered shall be the direct costs for maintenance services including but not limited to (i) maintenance and lighting of parks, parkways, streets, roads and open space, (ii) maintenance and operation of water quality improvements, (iii) public street sweeping, (iv) fund an operating reserve for the costs of Services as determined by the Administrator, and (v) Administrative Expenses. Under no circumstances shall the Special Tax A Requirement include funds for Bonds.

“Special Tax B (Contingent)” means the Special Tax B (Contingent) to be levied in each Fiscal Year on

each Assessor's Parcel of Taxable Property to fund the Contingent Special Tax B Requirement, if required.

"Taxable Property" means all Assessor's Parcels within CFD No. 2015-2, which are not Exempt Property.

"Taxable Unit" means a Residential Unit, Building Square Footage, or an Acre.

"Tax Zone" means a mutually exclusive geographic area, within which particular Special Tax rates may be levied pursuant to this Rate and Method of Apportionment of Special Tax. Appendix C identifies the Tax Zone in CFD No. 2015-2 at formation; additional Tax Zones may be created when property is annexed into the CFD.

"Tax Zone 1" means the specific geographic area identified on the CFD Boundary Map as Tax Zone 1.

"Tract(s)" means an area of land within a subdivision identified by a particular tract number on a Final Map approved for the subdivision.

"Undeveloped Property" means, for each Fiscal Year, all Taxable Property not classified as Developed Property or Approved Property.

B. ASSIGNMENT TO LAND USE CATEGORIES

For each Fiscal Year, all Assessor's Parcels of Taxable Property within CFD No. 2015-2 shall be classified as Developed Property, Approved Property, or Undeveloped Property, and shall be subject to the levy of Special Taxes as determined pursuant to Sections C and D below. Assessor's Parcels of Developed Property and Approved Property shall be classified as either Residential Property or Non-Residential Property. Residential Property shall be further classified as Single-Family Residential Property or Multi-Family Residential Property and the number of Residential Units shall be determined by the Administrator.

C. MAXIMUM SPECIAL TAX RATES

For purposes of determining the applicable Maximum Special Tax for Assessor's Parcels of Developed Property and Approved Property which are classified as Residential Property, all such Assessor's Parcels shall be assigned the number of Residential Unit(s) constructed or to be constructed thereon as specified in or shown on the building permit(s) issued or Final Map as determined by the Administrator. For Parcels of undeveloped property zoned for development of single family attached or multi-family units, the number of Residential Units shall be determined by referencing the condominium plan, apartment plan, site plan or other development plan, or by assigning the maximum allowable units permitted based on the underlying zoning for the Parcel. Once a single family attached or multi-family building or buildings have been built on an Assessor's Parcel, the Administrator shall determine the actual number of Residential Units contained within the building or buildings, and the Special Tax A levied against the Parcel in the next Fiscal Year shall be calculated by multiplying the actual number of Residential Units by the Maximum Special Tax per Residential Unit identified for the Tract below or as included in Appendix A as each Annexation occurs.

For purposes of determining the applicable Maximum Special Tax for Assessor's Parcels of

Developed Property and Approved Property which are classified as Non-Residential Property, all such Assessor's Parcels shall be assigned the number of Building Square Footage or Acres as shown on the Final Map as determined by the Administrator. Once the Administrator determines the actual number of Building Square Footage or Acres for the Assessor's Parcels, the Special Tax A levied against the Assessor's Parcel in the next Fiscal Year shall be calculated by multiplying the number of Building Square Footage or Acres by the Maximum Special Tax per Taxable Unit identified for the Tax Zone below or as included in Appendix A as each Annexation occurs.

1. Special Tax A

a. Developed Property

(i) Maximum Special Tax A

The Maximum Special Tax A for each Assessor's Parcel of Developed Property shall be specific to each Tax Zone within the CFD. When additional property is annexed into CFD No. 2015-2, the rate and method adopted for the annexed property shall reflect the Maximum Special Tax A for the Tax Zones annexed and included in Appendix A. The Maximum Special Tax A for Developed Property for Fiscal Year 2015-2016 within Tax Zone 1 is identified in Table 1 below:

**TABLE 1
MAXIMUM SPECIAL TAX A RATES
DEVELOPED PROPERTY**

| Tax Zone | Tract | Land Use Category | Taxable Unit | Maximum Special Tax A |
|-----------------|---------------|--------------------------|---------------------|------------------------------|
| 1 | LLA-2014-2743 | Non-Residential Property | Acre | \$121 |

(ii) Increase in the Maximum Special Tax A

On each July 1, commencing on July 1, 2016 the Maximum Special Tax A for Developed Property shall increase by i) the percentage increase in the Consumer Price Index (All Items) for Los Angeles - Riverside - Orange County (1982-84 = 100) since the beginning of the preceding Fiscal Year, or ii) by two percent (2.0%), whichever is greater.

(iii) Multiple Land Use Categories

In some instances, an Assessor's Parcel of Developed Property may contain more than one Land Use Category. The Maximum Special Tax A that can be levied on an Assessor's Parcel shall be the sum of the Maximum Special Tax A that can be levied for each Land Use Category located on that Assessor's Parcel. For an Assessor's Parcel that contains more than one land use, the Acreage of such Assessor's Parcel shall be allocated to each type of property based on the amount of Acreage designated for each land use as determined by reference to the site plan approved for such Assessor's Parcel. The Administrator's allocation to each type of property shall be final.

b. Approved Property

The Maximum Special Tax A for each Assessor's Parcel of Approved Property shall be specific to each Tax Zone within the CFD. When additional property is annexed into CFD No. 2015-2, the rate and method adopted for the annexed property shall reflect the Maximum Special Tax A for the Tax Zone annexed and included in Appendix A. The Maximum Special Tax A for Approved property Fiscal Year 2015-2016 within Tax Zone 1 is identified in Table 2 below:

TABLE 2
MAXIMUM SPECIAL TAX A RATES
APPROVED PROPERTY

| Tax Zone | Tract | Land Use Category | Taxable Unit | Maximum Special Tax A |
|-----------------|---------------|--------------------------|---------------------|------------------------------|
| 1 | LLA-2014-2743 | Non-Residential Property | Acre | \$121 |

On each July 1, commencing on July 1, 2016 the Maximum Special Tax A for Approved Property shall increase by i) the percentage increase in the Consumer Price Index (All Items) for Los Angeles - Riverside - Orange County (1982-84 = 100) since the beginning of the preceding Fiscal Year, or ii) by two percent (2.0%), whichever is greater.

c. Undeveloped Property

The Maximum Special Tax A for each Assessor's Parcel of Undeveloped Property shall be specific to each Tax Zone within the CFD. When additional property is annexed into CFD No. 2015-2, the rate and method adopted for the annexed property shall reflect the Maximum Special Tax A for the Tax Zone annexed and included in Appendix A. The Maximum Special Tax A for Undeveloped Property for Fiscal Year 2015-2016 within Tax Zone 1 is identified in Table 3 below:

TABLE 3
MAXIMUM SPECIAL TAX A RATES
UNDEVELOPED PROPERTY

| Tax Zone | Tracts | Taxable Unit | Maximum Special Tax A |
|-----------------|---------------|---------------------|------------------------------|
| 1 | LLA-2014-2743 | Acre | \$121 |

On each July 1, commencing on July 1, 2016 the Maximum Special Tax A for Undeveloped Property shall increase by i) the percentage increase in the Consumer Price Index (All Items) for Los Angeles - Riverside - Orange County (1982-84 = 100) since the beginning of the preceding Fiscal Year, or ii) by two percent (2.0%), whichever is greater.

2. Special Tax B (Contingent)

(i) Maximum Special Tax B (Contingent)

The Maximum Special Tax B (Contingent) for each Assessor's Parcel of Taxable Property is shown in Table 1 and shall be specific to each Tax Zone within the CFD. When additional property is annexed into CFD No. 2015-2, the rate and method adopted for the annexed property shall reflect the Maximum Special Tax B (Contingent) for each Tax Zones annexed and included in Appendix A. The Maximum Special Tax B (Contingent) for Fiscal Year 2015-2016 within Tax Zone 1 is identified in Table 4 below:

TABLE 4
MAXIMUM SPECIAL TAX B (CONTINGENT) RATES
DEVELOPED PROPERTY

| Tax Zone | Tract | Land Use Category | Taxable Unit | Maximum Special Tax B (Contingent) |
|-----------------|---------------|--------------------------|---------------------|---|
| 1 | LLA-2014-2743 | Non-Residential Property | Acre | \$0 |

(ii) Increase in the Maximum Special Tax B (Contingent)

On each July 1, commencing on July 1, 2016 the Maximum Special Tax B (Contingent) for Developed Property shall increase by i) the percentage increase in the Consumer Price Index (All Items) for Los Angeles - Riverside - Orange County (1982-84 = 100) since the beginning of the preceding Fiscal Year, or ii) by two percent (2.0%), whichever is greater.

(iii) Multiple Land Use Categories

In some instances, an Assessor's Parcel of Developed Property may contain more than one Land Use Category. The Maximum Special Tax B (Contingent) that can be levied on an Assessor's Parcel shall be the sum of the Maximum Special Tax B (Contingent) that can be levied for each Land Use Category located on that Assessor's Parcel. For an Assessor's Parcel that contains more than one land use, the Acreage of such Assessor's Parcel shall be allocated to each type of property based on the amount of Acreage designated for each land use as determined by reference to the site plan approved for such Assessor's Parcel. The Administrator's allocation to each type of property shall be final.

b. Approved Property

The Maximum Special Tax B (Contingent) for each Assessor's Parcel of Taxable Property is shown in Table 5 and shall be specific to each Tax Zone within the CFD. When additional property is annexed into CFD No. 2015-2, the rate and method adopted for the annexed property shall reflect the Maximum Special Tax B (Contingent) for the Tax Zone annexed and included in Appendix A. The Maximum Special Tax B (Contingent) for Fiscal Year 2015-2016 within the Tax Zone is identified in Table 5 below:

**TABLE 5
MAXIMUM SPECIAL TAX B (CONTINGENT) RATES
APPROVED PROPERTY**

| Tax Zone | Tract | Land Use Category | Taxable Unit | Maximum Special Tax B (Contingent) |
|-----------------|---------------|--------------------------|---------------------|---|
| 1 | LLA-2014-2743 | Non-Residential Property | Acre | \$0 |

On each July 1, commencing on July 1, 2016 the Maximum Special Tax B (Contingent) for Approved Property shall increase by i) the percentage increase in the Consumer Price Index (All Items) for Los Angeles - Riverside - Orange County (1982-84 = 100) since the beginning of the preceding Fiscal Year, or ii) by two percent (2.0%), whichever is greater.

c. Undeveloped Property

The Maximum Special Tax B (Contingent) for each Assessor's Parcel of Taxable Property is shown in Table 6 and shall be specific to each Tax Zone within the CFD. When additional property is annexed into CFD No. 2015-2, the rate and method adopted for the annexed property shall reflect the Maximum Special Tax B (Contingent) for the Tax Zone annexed and included in Appendix A. The Maximum Special Tax B (Contingent) for Fiscal Year 2015-2016 within the Tax Zone is identified in Table 6 below:

TABLE 6
MAXIMUM SPECIAL TAX B (CONTINGENT) RATES
UNDEVELOPED PROPERTY

| Tax Zone | Tracts | Taxable Unit | Maximum Special Tax B (Contingent) |
|-----------------|---------------|---------------------|---|
| 1 | LLA-2014-2743 | Acre | \$0 |

On each July 1, commencing on July 1, 2016 the Maximum Special Tax B (Contingent) for Undeveloped Property shall increase by i) the percentage increase in the Consumer Price Index (All Items) for Los Angeles - Riverside - Orange County (1982-84 = 100) since the beginning of the preceding Fiscal Year, or ii) by two percent (2.0%), whichever is greater.

D. METHOD OF APPORTIONMENT OF ANNUAL SPECIAL TAX

1. Special Tax A

Commencing with Fiscal Year 2015-2016 and for each following Fiscal Year, the Council shall determine the Special Tax A Requirement and shall levy the Special Tax A on all Assessor's Parcels of Taxable Property until the aggregate amount of Special Tax A equals the Special Tax A Requirement for each Tax Zone. The Special Tax A shall be levied for each Fiscal Year as follows:

First: The Special Tax A shall be levied Proportionately on all Assessor's Parcels of Developed Property within each Tax Zone up to 100% of the applicable Maximum Special Tax to satisfy the Special Tax A Requirement for such Tax Zone;

Second: If additional moneys are needed to satisfy the Special Tax A Requirement for a Tax Zone after the first step has been completed, the Special Tax A shall be levied Proportionately on each Parcel of Approved Property within such Tax Zone up to 100% of the Maximum Special Tax A for Approved Property;

Third: If additional monies are needed to satisfy the Special Tax A Requirement for a Tax Zone after the first two steps has been completed, the Special Tax A shall be levied Proportionately on all Assessor's Parcels of Undeveloped Property within such Tax Zone up to 100% of the Maximum Special Tax A for Undeveloped Property.

2. Special Tax B (Contingent)

Commencing with Fiscal Year 2015-2016 and for each following Fiscal Year, the Council shall determine the Contingent Special Tax B Requirement and shall levy the Special Tax on all Assessor's Parcels of Taxable Property until the aggregate amount of Special Tax B (Contingent) equals the Contingent Special Tax B Requirement. The Special Tax B (Contingent) shall be levied for each Fiscal Year as follows:

First: The Special Tax shall be levied Proportionately on all Assessor's Parcels of Developed Property for a Tax Zone up to 100% of the applicable Maximum Special Tax B (Contingent) to satisfy the Contingent Special Tax B Requirement;

Second: If additional moneys are needed to satisfy the Contingent Special Tax B Requirement after the first step has been completed, the Special Tax B (Contingent) shall be levied Proportionately on each Parcel of Approved Property within such Tax Zone up to 100% of the Maximum Special Tax B (Contingent) for Approved Property;

Third: If additional monies are needed to satisfy the Contingent Special Tax B Requirement after the first two steps has been completed, the Special Tax B (Contingent) shall be levied Proportionately on all Assessor's Parcels of Undeveloped Property within such Tax Zone up to 100% of the Maximum Special Tax B (Contingent) for Undeveloped Property.

E. FUTURE ANNEXATIONS

It is anticipated that additional properties will be annexed to CFD No. 2015-2 from time to time. As each annexation is proposed, an analysis will be prepared to determine the annual cost for providing Services. Based on this analysis, the property to be annexed, pursuant to California Government Code section 53339 et seq. will be assigned to the appropriate Maximum Special Tax rate for the Tax Zone when annexed and included in Appendix A.

F. TERM OF SPECIAL TAX

For each Fiscal Year, the Special Taxes shall be levied as long as the Services are being provided.

G. EXEMPTIONS

The City shall classify as Exempt Property within CFD No. 2015-2, any Assessor's Parcel in any of the following categories; (i) Assessor's Parcels which are owned by, irrevocably offered for dedication, encumbered by or restricted in use by any public entity; (ii) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement; (iii) Assessor's Parcels which are privately owned but are encumbered by or restricted solely for public uses; or (iv) any Assessor's Parcel which is in use in the performance of a public function as determined by the Administrator.

H. APPEALS

Any property owner claiming that the amount or application of the Special Taxes are not correct may file a written notice of appeal with the City not later than twelve months after having paid the first installment of the Special Tax that is disputed. A representative(s) of CFD No. 2015-2 shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and rule on the appeal. If the representative's decision requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the property owner, a cash refund shall not be made, but an adjustment shall be made to the Special Tax on that Assessor's Parcel in the subsequent Fiscal Year(s).

I. MANNER OF COLLECTION

The Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that CFD No. 2015-2 may collect the Special Tax at a different time or in a different manner if necessary to meet its financial obligations.

APPENDIX A

CITY OF LAKE ELSINORE COMMUNITY FACILITIES DISTRICT NO. 2015-2 (MAINTENANCE SERVICES)

COST ESTIMATE

Special Tax A Services - The estimate breaks down the costs of providing one year's maintenance services for Fiscal Year 2019-20. These services are being funded by the levy of Special Tax A for Community Facilities District No. 2015-2.

TAX ZONE 9 TRACT NO. 37305

| Item | Description | Estimated Cost |
|--------------|--------------|------------------|
| 1 | Landscaping | \$21,452 |
| 2 | Streetlights | \$5,299 |
| 3 | Streets | \$25,639 |
| 4 | Drainage | \$25,979 |
| 5 | Parks | \$61,200 |
| 6 | Graffiti | \$628 |
| 7 | Reserves | \$5,490 |
| 8 | Admin | \$14,020 |
| Total | | \$159,707 |

TAX ZONE 10 TRACT NO. 37305, LOT 169

| Item | Description | Estimated Cost |
|--------------|--------------|-----------------|
| 1 | Landscaping | \$6,635 |
| 2 | Streetlights | \$8,096 |
| 3 | Streets | \$7,100 |
| 4 | Drainage | \$6,000 |
| 5 | Reserves | \$2,113 |
| 6 | Admin | \$2,783 |
| Total | | \$32,727 |

Special Tax B Contingent Services - The estimate breaks down the costs of providing one year's maintenance services for Fiscal Year 2019-20. These services are being funded by the levy of Special Tax B (Contingent) for Tax Zone 9 of Community Facilities District No. 2015-2. There is no Special Tax B for Tax Zone 10.

TAX ZONE 9 TRACT NO. 37305

| Item | Description | Estimated Cost |
|--------------|-------------|-----------------|
| 1 | Drainage | \$53,716 |
| 2 | Reserves | \$5,372 |
| 3 | Admin | \$5,372 |
| Total | | \$64,460 |

MAXIMUM SPECIAL TAXES ASSIGNED TO EACH TAX ZONE

| Tax Zone | Fiscal Year Included | Tract/ APN | No. of Taxable Units | Land Use Category | Taxable Unit | Maximum Special Tax A | Maximum Special Tax B (Contingent) | Subdivider |
|-----------------|-----------------------------|----------------------|-----------------------------|--------------------------|---------------------|------------------------------|---|---------------------|
| 9 | 2019-20 | TR 37305 | 168 | Residential | RU | \$951 | \$384 | Nichols Rd Partners |
| 10 | 2019-20 | TR 37305; Lot 169 | 12.00 | Non-Residential | Acre | \$2,600 | \$0 | Nichols Rd Partner |

APPROVED AND UNDEVELOPED PROPERTY

The Maximum Special Tax for Tax Zone 9 for Approved Property and Undeveloped Property for Fiscal Year 2019-20 is \$7,804 per acre.

The Maximum Special Tax for Tax Zone 10 for Approved Property and Undeveloped Property for Fiscal Year 2019-20 is \$2,600 per acre.

TAX ZONE SUMMARY

| Annexation | Tax Zone | Tract APN | Fiscal Year | Maximum Special Tax A | Maximum Special Tax B | Subdivider |
|------------|----------|-------------------|-------------|-----------------------|-----------------------|-------------------------------|
| Original | 1 | LLA-2014-2743 | 2015-16 | \$121 / Acre | \$0 / Acre | Tractor Supply |
| 1 | 2 | 36682 | 2016-17 | \$354 / RU | \$102 / RU | Pardee Homes |
| 2 | 3 | PM 29996 | 2017-18 | \$951 / Acre | \$165 / Acre | Pasadena Industrial Park, LLC |
| 3 | 4 | PM 36551 | 2017-18 | \$2,671 / Acre | \$201 / Acre | ARI Chaney Street, LLC |
| 4 | 5 | TR 32996 | 2017-18 | \$378 / RU | \$321 / RU | LE Cottage Lane, LLC |
| 5 | 6 | 365-030-001 | 2018-19 | \$1,004/ Acre | \$0 / Acre | Lake Elsinore CCR, LLC |
| 6 | 7 | TR 33267 | 2019-20 | \$350 / RU | \$56 / RU | Pardee Homes |
| 7 | 8 | PM 37284 | 2019-20 | \$1,953 / Acre | \$0 / Acre | Central Plaza |
| 8 | 9 | TR 37305 | 2019-20 | \$951 / RU | \$384 / RU | Nichols Rd Partners, LLC |
| 8 | 10 | TR 37305; Lot 169 | 2019-20 | \$2,600 / Acre | \$0 / Acre | Nichols Rd Partners, LLC |

ESCALATION OF MAXIMUM SPECIAL TAXES

On each July 1, commencing on July 1, 2019 the Maximum Special Tax shall increase by i) the percentage increase in the Consumer Price Index (All Items) for Los Angeles - Riverside - Orange County (1982-84 = 100) since the beginning of the preceding Fiscal Year, or ii) by two percent (2.0%), whichever is greater.

APPENDIX B

CITY OF LAKE ELSINORE COMMUNITY FACILITIES DISTRICT NO. 2015-2 (MAINTENANCE SERVICES)

DESCRIPTION OF AUTHORIZED SERVICES

The services which may be funded with proceeds of the special tax of CFD No. 2015-2, as provided by Section 53313 of the Act, will include all costs attributable to maintaining, servicing, cleaning, repairing and/or replacing landscaped areas (may include reserves for replacement) in public street right-of-ways, public landscaping, public open spaces and other similar landscaped areas officially dedicated for public use. These services including the following:

(a) maintenance and lighting of parks, parkways, streets, roads and open space, which maintenance and lighting services may include, without limitation, furnishing of electrical power to street lights; repair and replacement of damaged or inoperative light bulbs, fixtures and standards; maintenance (including irrigation and replacement) of landscaping vegetation situated on or adjacent to parks, parkways, streets, roads and open space; maintenance and repair of irrigation facilities; maintenance of public signage; graffiti removal from and maintenance and repair of public structures situated on parks, parkways, streets, roads and open space; maintenance and repair of playground or recreation program equipment or facilities situated on any park; and

(b) maintenance and operation of water quality improvements which include storm drainage and flood protection facilities, including, without limitation, drainage inlets, catch basin inserts, infiltration basins, flood control channels, fossil fuel filters, and similar facilities. Maintenance services may include but is not limited to the repair, removal or replacement of all or part of any of the water quality improvements, fossil fuel filters within the public right-of-way including the removal of petroleum hydrocarbons and other pollutants from water runoff, or appurtenant facilities, clearing of inlets and outlets; erosion repairs; and cleanup to improvements, and other items necessary for the maintenance, servicing; or both of the water quality basin improvements within flood control channel improvements; and

(c) public street sweeping, on the segments of the arterials within the boundaries of CFD No. 2015-2; as well as local roads within residential subdivisions located within CFD No. 2015-2; and any portions adjacent to the properties within CFD No. 2015-2; and

In addition to payment of the cost and expense of the forgoing services, proceeds of the special tax may be expended to pay "Administrative Expenses," as said term is defined in the Rate and Method of Apportionment.

The above services shall be limited to those provided within the boundaries of CFD No. 2015-2 or for the benefit of the properties within the boundaries of CFD No. 2015-2, as the boundary is expanded from time to time by anticipated annexations, and said services may be financed by proceeds of the special tax of CFD No. 2015-2 only to the extent that they are in addition to those provided in the territory of CFD No. 2015-2 before CFD No. 2015-2 was created.

APPENDIX C

CITY OF LAKE ELSINORE

COMMUNITY FACILITIES DISTRICT NO. 2015-2 (MAINTENANCE SERVICES)

PROPOSED BOUNDARIES AND POTENTIAL ANNEXATION AREA BOUNDARIES

5/2
5/2
Copy

SHEET 1 OF 1 SHEET

ANNEXATION MAP NO. 8
COMMUNITY FACILITIES DISTRICT NO. 2015-2
(MAINTENANCE SERVICES)
CITY OF LAKE ELSINORE,
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

THIS MAP SHOWS THE BOUNDARIES OF AREAS TO BE ANNEXED TO COMMUNITY FACILITIES DISTRICT NO. 2015-2 (MAINTENANCE SERVICES), OF THE CITY OF LAKE ELSINORE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

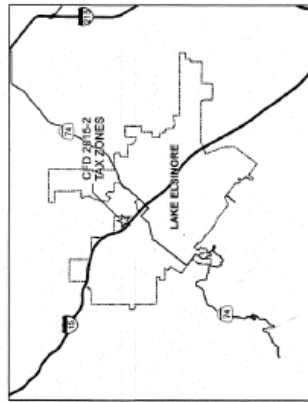
THE BOUNDARIES OF WHICH COMMUNITY FACILITIES DISTRICT ARE SHOWN AND DESCRIBED ON THE MAP THEREOF WHICH WAS PREVIOUSLY RECORDED ON AUGUST 13, 2015 IN BOOK 78 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICT AT PAGE 73 AND AS INSTRUMENT NO. 2015-0361493 IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES TO BE ANNEXED TO COMMUNITY FACILITIES DISTRICT NO. 2015-2 (MAINTENANCE SERVICES), CITY OF LAKE ELSINORE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF LAKE ELSINORE AT A REGULAR MEETING THEREOF, HELD ON 22nd DAY OF October 2019, BY RESOLUTION NO. 2019-086.


CITY CLERK
CITY OF LAKE ELSINORE

FILED IN THE OFFICE OF THE CITY CLERK, CITY OF LAKE ELSINORE THIS 22nd DAY OF October, 2019.


CITY CLERK
CITY OF LAKE ELSINORE



THIS ANNEXATION MAP CORRECTLY SHOWS THE LOT OR PARCEL OF LAND INCLUDED WITHIN THE BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT. FOR DETAILS OF THE BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT, REFER TO THE COUNTY ASSESSOR MAPS FOR FISCAL YEAR 2019-20.



RECORDED THIS 31 DAY OF October, 2019
AT THE HOUR OF 2:05 O'CLOCK P.M. IN BOOK 84
PAGE 45 OF MAPS OF ASSESSMENT AND COMMUNITY
FACILITIES DISTRICTS IN THE OFFICE OF THE COUNTY
RECORDER, IN THE COUNTY OF RIVERSIDE, STATE OF
CALIFORNIA.

FEE: \$9⁰⁰ NO.: 2019-043967
PETER ALDANA, ASSESSOR, COUNTY CLERK, RECORDER
BY: Maia V. Jakes
DEPUTY

REFERENCES IS HEREBY MADE TO THE CITY OF LAKE ELSINORE PARCEL MAP 37465 RECORDED IN THE OFFICIAL RECORDS OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ON THE 3RD DAY OF OCTOBER, 2015, IN BOOK 247 OF MAPS, AT PAGES 74-79, AS DOCUMENT NO. 2019-0396737 FOR A DESCRIPTION OF THE LINES AND DIMENSIONS OF THE PARCELS.



BOUNDARIES - POTENTIAL ANNEXATION AREA

THE PROPOSED BOUNDARIES OF THE POTENTIAL
ANNEXATION AREA OF COMMUNITY FACILITIES DISTRICT
NO. 2015-2 (MAINTENANCE SERVICES), CITY OF LAKE ELSINORE,
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, WAS
APPROVED BY THE CITY COUNCIL OF THE CITY OF
MENIFEE AT A REGULAR MEETING THEREOF, HELD ON
28th DAY OF ~~APRIL~~ 2015.
BY ITS RESOLUTION NO. 2015-066

Diana Horvath, Acting City Clerk
CITY CLERK
CITY OF LAKE ELSINORE

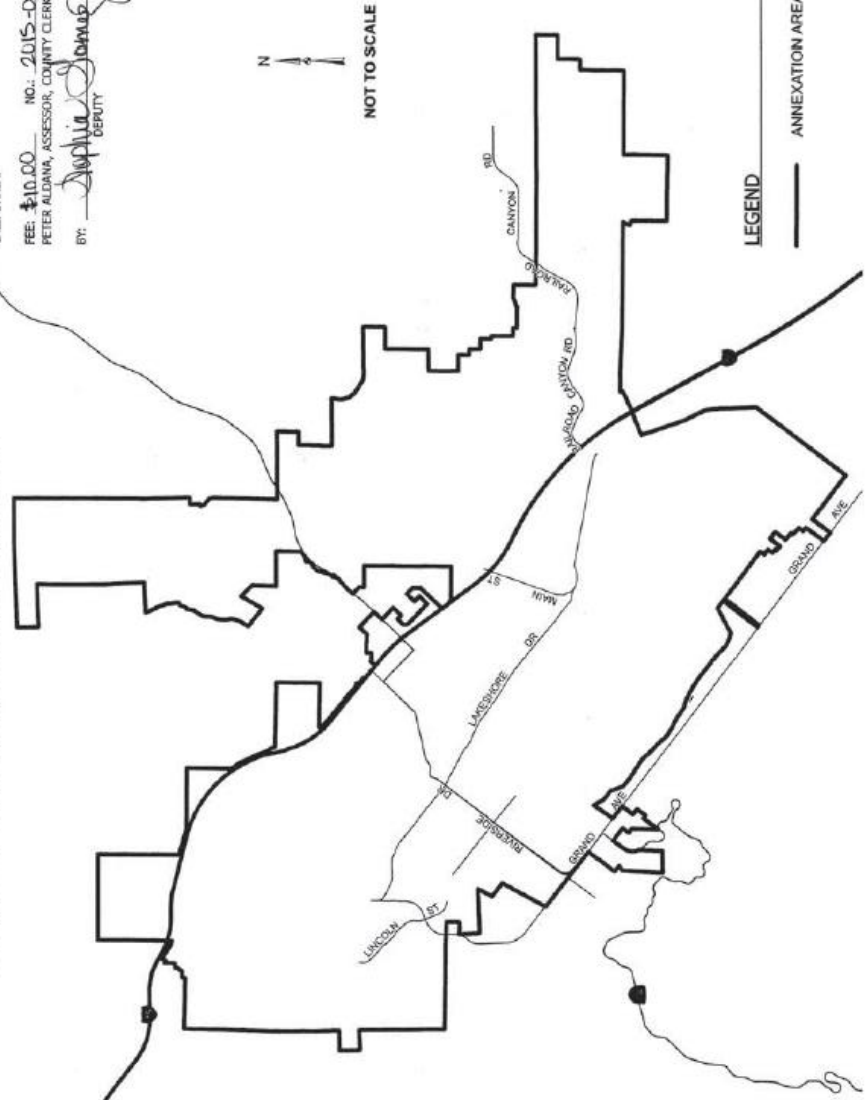
FILED IN THE OFFICE OF THE CITY CLERK, CITY OF LAKE
ELSINORE THIS 14TH DAY OF August, 2012.

Diane Giam, Acting City Clerk
CITY CLERK
CITY OF LAKE ELSINORE

COMMUNITY FACILITIES DISTRICT NO. 2015-2
(MAINTENANCE SERVICES)
CITY OF LAKE ELSINORE
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

RECORDED THIS 19TH DAY OF August, 2015
AT THE HOUR OF 12:45 O'CLOCK P.M. IN BOOK 18
PAGE 14 OF MAPS OF ASSESSMENT AND COMMUNITY
FACILITIES DISTRICTS IN THE OFFICE OF THE COUNTY
RECORDER, IN THE COUNTY OF RIVERSIDE, STATE OF
CALIFORNIA.

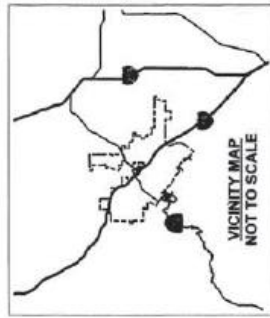
FEE: \$10.00 NO.: 2015-0369598
 PETER ALDANA, ASSESSOR, COUNTY CLERK, RECORDER
 BY: Daphnia James
 DEPUTY



NOT TO SCALE

LEGEND

ANNEXATION AREA BOUNDARY



VICINITY MAP
NOT TO SCALE

EXHIBIT B**COMMUNITY FACILITIES DISTRICT NO. 2015-2 (MAINTENANCE SERVICES)
SPECIAL TAX FISCAL YEAR 2020-21****(Effective as of January 14, 2020)****ASSESSOR'S PARCEL NUMBERS**

| Annexation | Zone | Owner | Assessor's Parcel Numbers |
|-------------------|-------------|-------------------------------|--|
| Original | 1 | Tractor Supply | 377-120-068 |
| 1 | 2 | Pardee Homes | See Next Page |
| 2 | 3 | Pasadena Industrial Park, LLC | 377-120-032, -043 thru -047, -069, and -071 |
| 3 | 4 | ARI Chaney Street, LLC | 377-140-032, -033, and -034 |
| 4 | 5 | LE Cottage Lane, LLC | See Next Page |
| 5 | 6 | Lake Elsinore CCR, LLC | 365-030-001 |
| 6 | 7 | Pardee Home | 379-050-034 |
| 7 | 8 | Central Plaza | 377-081-004 thru -009 |
| 8 | 9 | Nichols Rd Partners, LLC | 389-200-038 (por.), 389-210-008 (por.), 389-210-032, 389-210-034, and 389-210-036 (por.) |
| 8 | 10 | Nichols Rd Partners, LLC | 389-200-038 (por.), 389-210-008 (por.), and 389-210-036 (por.) |

EXHIBIT B (cont.)

COMMUNITY FACILITIES DISTRICT NO. 2015-2 (MAINTENANCE SERVICES)

**ANNEXATION NO. 1
ASSESSOR'S PARCEL NUMBERS**

| Assessor's Parcel Numbers | | | | | | | | |
|---------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| 358710001 | 358710002 | 358710003 | 358710004 | 358710005 | 358710006 | 358710007 | 358710008 | 358710009 |
| 358710010 | 358710011 | 358710012 | 358710013 | 358710014 | 358710015 | 358710016 | 358710017 | 358710018 |
| 358710019 | 358710020 | 358710021 | 358710022 | 358710023 | 358710024 | 358710025 | 358710026 | 358710027 |
| 358710028 | 358710029 | 358710030 | 358710031 | 358710032 | 358710033 | 358710034 | 358710035 | 358710036 |
| 358710037 | 358710038 | 358710039 | 358710040 | 358710041 | 358711001 | 358711002 | 358711003 | 358711004 |
| 358711005 | 358711006 | 358711007 | 358712001 | 358712002 | 358712003 | 358712004 | 358712005 | 358712006 |
| 358712007 | 358712008 | 358712009 | 358712010 | 358712011 | 358712012 | 358712013 | 358712014 | 358712015 |
| 358712016 | 358712017 | 358712018 | 358712019 | 358712020 | 358712021 | 358712022 | 358712023 | 358712024 |
| 358712025 | 358712026 | | | | | | | |

**ANNEXATION NO. 4
ASSESSOR'S PARCEL NUMBERS**

| Assessor's Parcel Numbers | | | | | | | | |
|---------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| 379490004 | 379490005 | 379490006 | 379490007 | 379490008 | 379490009 | 379490010 | 379491001 | 379491002 |
| 379491003 | 379491004 | 379491005 | 379491006 | 379491007 | 379491008 | 379491009 | 379491010 | 379491011 |
| 379491012 | 379491013 | 379491014 | 379491015 | 379491016 | 379491017 | 379491018 | 379491019 | 379491020 |
| 379491021 | 379491022 | 379491023 | 379491024 | 379491025 | 379491026 | 379491027 | 379491028 | 379491029 |
| 379491030 | 379491031 | 379491032 | 379491033 | 379491034 | 379491035 | 379491036 | 379491037 | 379491038 |