



REPORT TO CITY COUNCIL

To: Honorable Mayor and Members of the City Council

From: Grant Yates, City Manager

Prepared by: Jason Simpson, Assistant City Manager

Date: January 12, 2021

Subject: Public Hearing and Election for Change Proceedings for Community Facilities District No. 2006-6 (Tessera)

Recommendations

1. Adopt A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE ELSINORE, CALIFORNIA, ACTING AS THE LEGISLATIVE BODY OF CITY OF LAKE ELSINORE COMMUNITY FACILITIES DISTRICT NO. 2006-6 (TESSERA), APPROVING A FIRST AMENDMENT TO THE RATE AND METHOD OF APPORTIONMENT AND CALLING AN ELECTION THEREIN;
2. Adopt A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE ELSINORE, CALIFORNIA, ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF CITY OF LAKE ELSINORE COMMUNITY FACILITIES DISTRICT NO. 2006-6 (TESSERA), CERTIFYING THE RESULTS OF THE JANUARY 12, 2021, SPECIAL ELECTION; and
3. Introduce by title only and waive further reading of AN ORDINANCE OF THE CITY COUNCIL OF CITY OF LAKE ELSINORE, CALIFORNIA, ACTING AS THE LEGISLATIVE BODY OF CITY OF LAKE ELSINORE COMMUNITY FACILITIES DISTRICT NO. 2006-6 (TESSERA) AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN SUCH DISTRICT.

Background

The City of Lake Elsinore (the "City") formed the City of Lake Elsinore Community Facilities District No. 2006-6 (Tessera) (the "District") in 2006 pursuant to the Mello-Roos Community Facilities District Act of 1982. The District is bounded to the north and east by Avenue 6 and by Channing Way to the west. JLJ, L.P., a California limited partnership, is the landowner within the District (the "Developer"). The development within the District is expected to include approximately 90 single family homes at build-out.

Due to revisions in the proposed product mix within the District, the Developer has requested that the District undertake proceedings to amend the Rate and Method of Apportionment of Special Taxes with the First Amended and Restated Rate and Method of Apportionment

attached to Resolution No. 2020-99, adopted by the City Council on December 8, 2020 (the "Amended RMA").

If the Amended RMA is approved, the District will have special tax rates ranging from \$2,301, for a home less than 1,650 square feet, to \$2,430 for a home greater than 1,750 square feet.

On December 8, 2020, the City Council adopted Resolution No. 2020-99 stating its intention to consider approval of the Amended RMA and called for a public hearing to be held on the approval of such matter.

Documents to be Approved

Following the public hearing to be held, approval of the first resolution will call for an election to be held with respect to the approval of the Amended RMA. The City has received a certificate of the Registrar of Voters certifying that there are less than 12 Registered Voters residing within the District during the 90 days prior to the time of the public hearing. Accordingly, the election to be held will be a landowner election pursuant to which the landowners are the sole eligible voters within the District. The Developer has executed a consent and waiver to certain election law requirements and to allow the election to be conducted immediately following the public hearing.

Following the holding of the election, the City Council will be asked to certify the election results and assuming approval of the Amended RMA, introduce the Ordinance authorizing the levy of the special tax in accordance with the Amended RMA.

Fiscal Impact

The Developer has made a deposit to pay for the costs of the change proceedings described above. The District will annually levy special taxes on all of the taxable property within the District in accordance with the Amended RMA in order to pay for the costs of facilities, debt service on bonds and administration of the District. Any bonds issued by the District are not obligations of the City and will be secured solely by the Special Taxes levied in the District.

Exhibits

- A – Reso. Approving Amendment to Rate and Method
- B – Reso. Certifying Election Results
- C – Ordinance Levying Special Taxes
- D – Waiver
- E – Certificate of Registrar of Voters
- F - Project Map