

RESOLUTION NUMBER 6556

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS CONSIDERING A PREPAYMENT BY DR. HORTON OF ITS OBLIGATIONS WITH RESPECT TO COMMUNITY FACILITIES DISTRICT NO. 2021-1 (AVION POINTE/ACACIA) OF THE CITY OF PERRIS FOR ZERO DOLLARS AND AUTHORIZING RECORDING OF A NOTICE OF CESSATION OF SPECIAL TAX LIEN AND CERTAIN RELATED MATTERS

WHEREAS, on February 9, 2021, the City Council (the “Council”) of the City of Perris, California (the “City”) adopted Resolution No. 5756 (the “Resolution of Intention”) declaring its intention to form Community Facilities District No. 2021-1 (Avion Pointe/Acacia) of the City of Perris (the “District”) pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Section 53311 of the Government Code of the State of California (the “Act”); and

WHEREAS, on March 30, 2021, the Council adopted the Resolution No. 5776 (the “Resolution of Formation”) forming the District; and

WHEREAS, the District consists of two geographic tax “Zones” identified as Zone 1 (“Zone 1”) and Zone 2 (“Zone 2”) in the Rate and Method of Apportionment for the District (the “RMA”), consisting of approximately 22.7 gross acres (Tract Nos. 32406, 31650 and 31561 at that time) as described on Exhibit “A-1” and depicted on Exhibit “A-2” attached hereto and incorporated herein by reference; and

WHEREAS, the Notice of Special Tax Lien to secure the levy of special taxes on all non-exempt real property within the District was recorded on April 15, 2021 as Document No. 2021-0235982 in the office of the County Recorder of the County of Riverside (the “Special Tax Lien”); and

WHEREAS, the City and D.R. Horton Los Angeles Holding Company, Inc., a California corporation (the “Developer”) entered into the First Amended and Restated Memorandum of Understanding, dated as of August 27, 2024 (the “Amended MOU”); and

WHEREAS, the Amended MOU provides for the release of the Special Tax Lien from Assessor’s Parcels within Zone 2 of the District if the special tax obligation is satisfied through prepayment pursuant to the RMA; and

WHEREAS, the RMA does not have a prepayment formula for undeveloped property and thus has been interpreted pursuant to the interpretation of Willdan Financial Services, the administrator of the District, which interpretation is attached hereto as “Exhibit B” (the “Interpreted Prepayment Formula”); and

WHEREAS, the Interpreted Prepayment Formula will be for zero dollars to remove the lien from the property because the property has not been developed and therefore has no current obligations; and

WHEREAS, the Developer has requested that the City satisfy the prepayment pursuant to the RMA; and

WHEREAS, all property owners and registered voters located in Zone 1 and Zone 2 of the District were mailed notice by mail of the public hearing at least thirty (30) days prior to the hearing; and

WHEREAS, on November 12, 2024, the Council opened a public hearing after providing all notice required relating to the lien cancellation of parcels from Zone 2 of the District and the method of the interpretation of the RMA pursuant to the Interpreted Prepayment Formula; and

WHEREAS, at the public hearing, all persons not exempt from the special tax desiring to be heard on all matters pertaining to the lien cancellation of parcels from Zone 2 of the District, the Amended MOU, and the method of the interpretation of the RMA pursuant to the Interpreted Prepayment Formula were heard and a full and fair hearing was held, and such matters were not precluded by a majority protest; and

WHEREAS, pursuant to Section 53330.5 of the California Government Code, the legislative body of a community facilities district may provide for the recordation of a notice of cessation of a special tax lien if the legislative body determines that the special taxes shall cease to be levied; and

WHEREAS, the Council, as legislative body of the District, hereby determines that the special taxes within Zone 2 of the District shall cease to be levied upon meeting the conditions in the Amended MOU; and

WHEREAS, there has been presented to the Council a form of notice of cessation of special tax lien that provides for the cessation of the Special Tax Lien (the “Notice of Cessation”) over all of the parcels of property within Zone 2 of the District and which is attached hereto as “Exhibit C” and by this reference incorporated herein; and

WHEREAS, the Council has determined that all obligations under the Special Tax Lien should be extinguished and ceased with respect to all the property within Zone 2 of the District and that the Notice of Cessation should therefore be recorded with respect to such parcels pursuant to the Amended MOU.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Perris, as follows:

Section 1. Each of the above recitals is true and correct and is adopted by the Council and incorporated herein.

Section 2. The Council hereby accepts the Interpreted Prepayment Formula of the RMA and shall allow for the special tax obligation in Zone 2 to be prepaid by zero dollars. The City Council hereby determines that the special taxes within Zone 2 of the District shall cease to be levied commencing Fiscal Year 2025-2026. No taxes are currently levied within Zone 2 for Fiscal Year 2024-25.

Section 3. The form of the Notice of Cessation attached hereto as “Exhibit C” is hereby approved and the City Clerk of the City of Perris is hereby directed to sign said notice and cause the Notice of Cessation to be recorded in the official records in the office of the County Recorder of the County of Riverside pursuant to the Amended MOU.

ADOPTED, SIGNED and APPROVED this this 12th day of November, 2024.

Michael M. Vargas, Mayor

ATTEST:

Nancy Salazar, City Clerk

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, Nancy Salazar, CITY CLERK OF THE CITY OF PERRIS, DO HEREBY CERTIFY that the foregoing Resolution Number 6556 was duly adopted by the City Council of the City of Perris at a regular meeting of said Council on the 12th day of November, 2024, and that it was so adopted by the following vote:

AYES: CORONA, RABB, ROGERS, NAVA, VARGAS

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

Nancy Salazar, City Clerk

EXHIBIT A-1
LEGAL DESCRIPTION OF ZONE 1 AND ZONE 2

All that certain real property situated in the City of Perris, County of Riverside, State of California, described as follows:

Phase 1 Property (Alder):

PARCEL A: (APN: 311-470-001 THROUGH 311-470-008; 311-470-023; 311-470-024; 311-471-001 THROUGH 311-471-012; 311-472-001 THROUGH 311-472-005; 311-472-010 THROUGH 311-472-021

LOTS 1 THROUGH 8, INCLUSIVE, 17 THROUGH 28, INCLUSIVE, 35, 36, 41 THROUGH 45, INCLUSIVE AND 50 THROUGH 61, INCLUSIVE OF TRACT NO. 31650, IN THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 407, PAGES 21 THROUGH 24, INCLUSIVE, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL B: (APN: 311-340-012 THROUGH 311-340-026)

LOTS 1 THROUGH 15, INCLUSIVE, OF TRACT NO. 32406, IN THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 414, PAGES 40 AND 41 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Phase 2 Property (Acacia):

LOTS 1 TO 57, INCLUSIVE, OF TRACT NO. 31651, IN THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 419 PAGES 12 THROUGH 14 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APN: 311-161-001 THROUGH 311-161-035 AND 311-162-001 THROUGH 311-162-022

EXHIBIT A-2
MAP OF ZONE 1 AND ZONE 2



EXHIBIT B

**INTERPRETATION OF THE COMMUNITY FACILITIES DISTRICT NO. 2021-1
(AVION POINTE/ ACACIA) RATE AND METHOD OF APPORTIONMENT AND
PREPAYMENT FORMULA**

**CITY OF PERRIS COMMUNITY FACILITIES DISTRICT NO. 2021-1 (AVION
POINTE/ ACACIA)**

EXHIBIT C
NOTICE OF CESSATION OF SPECIAL TAX

[See Attached]

EXHIBIT A

DESCRIPTION OF AFFECTED PARCELS, BY ASSESSOR'S TAX PARCEL NUMBER

Assessor's Parcel Number

310-180-072

Owner

PW Land Investments L.P.