

ORDINANCE NO. TPFA 2024-02

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE TEMECULA PUBLIC FINANCING AUTHORITY LEVYING SPECIAL TAXES WITHIN TEMECULA PUBLIC FINANCING AUTHORITY COMMUNITY FACILITIES DISTRICT NO. 23-01 (ALTAIR)

THE BOARD OF DIRECTORS OF THE TEMECULA PUBLIC FINANCING AUTHORITY DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. On February 13, 2024, this Board of Directors of the Temecula Public Financing Authority (the “Authority”) adopted Resolution No. TPFA 2024-03 entitled “A Resolution of the Board of Directors of the Temecula Public Financing Authority Declaring Its Intention to Establish a Community Facilities District and to Authorize the Levy of Special Taxes Therein – Altair” (the “Resolution of Intention”), stating its intention to establish the Temecula Public Financing Authority Community Facilities District No. 23-01 (Altair) (the “District”), to designate an Improvement Area No. 1 of the Temecula Public Financing Authority Community Facilities District No. 23-01 (Altair) in the District (the “Improvement Area”), and to identify a future annexation area (the “Future Annexation Area”) relative to the District, all pursuant to the Mello-Roos Community Facilities Act of 1982, Section 53311 et seq. of the California Government Code (the “Law”), to finance the costs of certain public improvements (the “Facilities”), of certain municipal services (the “Services”) and of a conservation fee (the “Conservation Fee”).

Section 2. In the Resolution of Intention, this Board of Directors determined that it may be necessary to designate additional improvement areas when territory in the Future Annexation Area annexes into the District (each, a “Future Improvement Area”).

Section 3. Notice was published as required by the Law of the public hearing called pursuant to the Resolution of Intention relative to the intention of this Board of Directors to form the District, to designate the Improvement Area, and to identify the Future Annexation Area, all to provide for the costs of the Facilities, the Services and the Conservation Fee.

Section 4. The public hearing was held on March 26, 2024. At the public hearing all persons desiring to be heard on all matters pertaining to the formation of the District and the designation of the Improvement Area, the identification of the Future Annexation Area, the levy of special taxes in the Improvement Area and the incurrence of bonded indebtedness for the Improvement Area and the Future Improvement Areas were heard, substantial evidence was presented and considered by this Board of Directors and a full and fair hearing was held.

Section 5. Subsequent to the public hearing, this Board of Directors adopted resolutions entitled “A Resolution of the Board of Directors of the Temecula Public Financing Authority of Formation of Temecula Public Financing Authority Community Facilities District No. 23-01 (Altair)” (the “Resolution of Formation”), “A Resolution of the Board of Directors of the Temecula Public Financing Authority Determining the Necessity to Incur Bonded Indebtedness of the Temecula Public Financing Authority Community Facilities District No. 23-01 (Altair)” (the

“Resolution of Necessity”) and “A Resolution of the Board of Directors of the Temecula Public Financing Authority Calling Special Election Within Improvement Area No. 1 of the Community Facilities District No. 23-01 (Altair),” which resolutions established the District and the Improvement Area, identified the Future Annexation Area, authorized the levy of a special tax on property within the Improvement Area, authorized the incurrence of bonded indebtedness for the Improvement Area and called an election within the Improvement Area on the proposition of incurring indebtedness, levying the special tax and establishing an appropriations limit for the Improvement Area, respectively.

Section 6. On March 26, 2024 an election was held within the Improvement Area in which the sole eligible landowner elector approved said propositions.

Section 7. By the passage of this Ordinance this Board of Directors hereby authorizes and levies special taxes within the Improvement Area and on any parcels in the Future Annexation Area that are annexed into the Improvement Area or a Future Improvement Area, pursuant to the Law. With respect to the Improvement Area, the Authority shall levy the special tax at the rate and in accordance with the rate and method of apportionment of special taxes attached as Exhibit B to the Resolution of Intention (the “Improvement Area No. 1 Rate and Method”), which Resolution of Intention is by this reference incorporated herein. With respect to Future Improvement Areas, the City shall levy the special taxes at the rate and in accordance with the rate and method of apportionment approved by the qualified electors in the respective Future Improvement Areas in the manner required by the Law (each, a “Future Rate and Method”; together with the Improvement Area No. 1 Rate and Method, the “Rate and Methods”). The special taxes are hereby levied commencing in Fiscal Year 2024-2025 and in each fiscal year thereafter for the period provided in applicable Rate and Methods, as contemplated by the Resolution of Formation and the Resolution of Necessity, and payment in full all costs of administering the District.

Section 8. The Authority Treasurer is hereby authorized and directed to work with the Finance Director for the City of Temecula (who is identified as the “CFD Administrator” in the Improvement Area No. 1 Rate and Method) each fiscal year to determine the specific special tax rate and amount to be levied for each parcel of real property within the Improvement Area and each Future Improvement Area, in the manner and as provided in the respective Rate and Method applicable thereto.

Section 9. Properties or entities of the State, federal or local governments shall be exempt from any levy of the special taxes, to the extent set forth in the Rate and Methods. In no event shall the special taxes be levied on any parcel within the Improvement Area or a Future Improvement Area (including any parcels in the Future Annexation Area that are annexed into the District) in excess of the maximum tax specified in the applicable Rate and Method.

Section 10. All of the collections of the special tax shall be used as provided for in the Law and in the Resolution of Formation including the payment of principal and interest on bonds issued by the Authority for the Improvement Area or a Future Improvement Area (the “Bonds”), the replenishment of the reserves for the Bonds, the payment of the costs to provide the Facilities, the Services and the Conservation Fee, the costs of the Authority and the City of Temecula in administering the District, and the costs of collecting and administering the special tax.

Section 11. The special taxes shall be collected from time to time as necessary to meet the financial obligations of the District and any improvement areas thereof on the secured real property tax roll in the same manner as ordinary ad valorem taxes are collected. The special taxes shall have the same lien priority, and be subject to the same penalties and the same procedure and sale in cases of delinquency as provided for ad valorem taxes. In addition, the provisions of Section 53356.1 of the California Government Code shall apply to delinquent special tax payments. The Treasurer is hereby authorized and directed to provide all necessary information to the auditor/tax collector of the County of Riverside and to otherwise take all actions necessary in order to effect proper billing and collection of the special tax, so that the special tax shall be levied and collected in sufficient amounts and at the times necessary to satisfy the financial obligations of the District and any improvement areas thereof in each fiscal year until the later of the date on which (a) the Bonds are paid in full and provision has been made for payment of all of the administrative costs of the District and any improvement areas thereof, or (b) the date, if ever, on which this City Council determines that the special tax shall no longer be levied to pay for costs of the Facilities, the Conservation Fee and/or the Services.

Notwithstanding the foregoing, the Treasurer may collect one or more installments of the special taxes on any one or more parcels in the District or any improvement area thereof by means of direct billing by the Authority of the property owners within the District or any improvement area thereof, if any of the Bonds bear interest at a variable interest rate, or otherwise if, in the judgment of the Treasurer, such means of collection will reduce the administrative burden on the Authority in administering the District or such improvement area or is otherwise appropriate in the circumstances. In such event, the special taxes shall become delinquent if not paid when due as set forth in any such respective billing to the applicable property owners.

Section 12. Should any section, subsection, clause, or provision of this Ordinance for any reason be held to be invalid or unconstitutional, or if the special tax is found inapplicable to any particular parcel within the Improvement Area or a Future Improvement Area, by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of the remaining portions of this Ordinance and the application of the special tax to the remaining parcels within the Improvement Area or Future Improvement Area (including any parcels in the Future Annexation Area that are annexed into the District).

PASSED, APPROVED, AND ADOPTED by the Board of Directors of the Temecula Public Financing Authority this 9th day of July, 2024.

James Stewart, Chair

ATTEST:

Randi Johl, Secretary

[SEAL]

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss
CITY OF TEMECULA)

I, Randi Johl, Secretary of the Temecula Public Financing Authority, do hereby certify that the foregoing Ordinance No. TPFA 2024-02 was duly introduced and placed upon its first reading at a meeting of the Board of Directors of the Temecula Public Financing Authority on the 26th day of March, 2024, and that thereafter, said Ordinance was duly adopted by the Board of Directors of the Temecula Public Financing Authority at a meeting thereof held on the 9th day of July, 2024, by the following vote:

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:

ABSTAIN: BOARD MEMBERS:

ABSENT: BOARD MEMBERS:

Randi Johl, Secretary