

**D. CFD 2006-1, IA #22 Authorizing the Levy of a Special Tax (2nd Reading**

Recommendation: Conduct Second Reading and adopt the Ordinance authorizing the levy of a special tax within Improvement Area No. 22 of the City of Cathedral City Community Facilities District No. 2006-1 (Law Enforcement, Fire, Paramedic, Park and General Maintenance Services).

RECORDING REQUESTED BY  
AND WHEN RECORDED RETURN TO:

City of Cathedral City  
68700 Avenida Lalo Guerrero  
Cathedral City, California 92234  
Attention: Kevin Biersack

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## **NOTICE OF SPECIAL TAX LIEN**

Pursuant to the requirements of Section 3114.5 of the Streets and Highways Code and Section 53328.3 of the Government Code, the undersigned clerk of the legislative body of the City of Cathedral City (the "City"), State of California, hereby gives notice that a lien to secure payment of special taxes is hereby imposed by the City Council of the City. The special taxes secured by this lien are authorized to be levied for the purpose of financing a portion of the cost of providing law enforcement services, fire protection, paramedic services, park maintenance, and general maintenance services.

The special taxes are authorized to be levied within Improvement Area No. 22 of the City of Cathedral City Community Facilities District No. 2006-1 (Law Enforcement, Fire, Paramedic Park and General Maintenance Services) ("Improvement Area No. 22") which has now been officially formed and the lien of the special taxes are a continuing lien which shall secure each annual levy of the special taxes and which shall continue in force and effect until the special taxes cease to be levied and a notice of cessation of special taxes is recorded in accordance with Section 53330.5 of the Government Code.

The rate and method of apportionment, and manner of collection of authorized special tax for Improvement Area No. 22 is as set forth in Exhibit "A" attached hereto and hereby made a part hereof. The obligation to pay the special tax may not be prepaid and permanently satisfied and the lien of the special taxes may not be canceled.

Notice is further given that upon the recording of this notice in the office of the county recorder, the obligation to pay the special tax levies shall become a lien upon all real property within Improvement Area No. 22 in accordance with Section 3115.5 of the Streets and Highways Code.

The name of the owner(s) and the assessor's tax parcel number(s) of the real property included within Improvement Area No. 22 are as set forth in Exhibit "B" attached hereto.

Reference is made to the boundary map of Improvement Area No. 22 recorded at Book 94 of Maps of Assessment and Community Facilities Districts at Page 41, in the office of the County Recorder for the County of Riverside, California which map is now and final boundary map of Improvement Area No. 22.

For further information concerning the current and estimated future tax liability of owners or purchasers of real property subject to this special tax lien, interested persons should contact the City Manager of the City of Cathedral City, 68700 Avenida Lalo Guerrero, Cathedral City, California 92234, (760) 770-0340.

Dated: \_\_\_\_\_

\_\_\_\_\_  
CITY CLERK OF THE CITY OF  
CATHEDRAL CITY

STATE OF CALIFORNIA            )  
  ) ss.  
COUNTY OF RIVERSIDE        )

On \_\_\_\_\_ before me, \_\_\_\_\_ (here insert name and title of the officer), personally appeared \_\_\_\_\_, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon which the person acted, executed the instrument.

WITNESS my hand and official seal.

Signature \_\_\_\_\_ (SEAL)

**EXHIBIT A**  
**RATE AND METHOD OF APPORTIONMENT**

**EXHIBIT B**

**PROPERTY OWNER NAME AND ASSESSOR'S TAX PARCEL NUMBER**

**Property Owner**

**APNs**

**Coachella Valley Community  
Development Group**

**670-110-043**

**ORDINANCE NO. \_\_\_\_\_**

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CATHEDRAL CITY ACTING AS THE LEGISLATIVE BODY FOR IMPROVEMENT AREA NO. 22 OF THE CITY OF CATHEDRAL CITY COMMUNITY FACILITIES DISTRICT NO. 2006-1 (LAW ENFORCEMENT, FIRE, PARAMEDIC, PARK AND GENERAL MAINTENANCE SERVICES) AUTHORIZING THE LEVY OF A SPECIAL TAX**

WHEREAS, on October 9, 2024 the City Council (the “Council”) of the City of Cathedral City, California (the “City”) adopted Resolution No. 2024-40 stating its intention to form the Improvement Area No. 22 of the City of Cathedral City Community Facilities District No. 2006-1 (Law Enforcement, Fire, Paramedic, Park and General Maintenance Services) (the “District”) pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, (the “Act”); and

WHEREAS, notice was published as required by law relative to the intention of the Council to form the District; and

WHEREAS, on November 13, 2024 this Council held a noticed public hearing as required by law relative to the determination to proceed with the formation of the District and the rate and method of apportionment and manner of collection of the special tax to be levied within the District to finance certain public services; and

WHEREAS, at said hearing all persons desiring to be heard on all matters pertaining to the formation of the District were heard and a full and fair hearing was held; and

WHEREAS, the Council subsequent to said hearing adopted Resolution No. 2024-43 (the “Resolution of Formation”) on November 13, 2024 determining the validity of prior proceedings relative to the formation of the District and establishing the District; and

WHEREAS, the Council subsequent to said hearing adopted Resolution No. 2024-44 which called an election within the District for November 13, 2024 on the proposition of levying a special tax; and

WHEREAS, the Council subsequent to said hearing adopted Resolution No. 2024-45 on November 13, 2024 which held an election within the District and canvassed the results in which the eligible electors approved by more than two-thirds vote the proposition of levying a special tax;

NOW, THEREFORE, BE IT ORDAINED, by the City Council of the City of Cathedral City as follows:

Section 1. A special tax is levied within the boundaries of the District pursuant to the formula set forth in Exhibit “A” attached hereto and incorporated by reference in an amount

necessary to finance a portion of the cost of providing police protection, fire protection, paramedic, park maintenance and general maintenance services that are in addition to those provided in the territory within the District prior to the formation of the District.

Section 2. This legislative body is hereby further authorized to provide, by resolution adopted as provided in Section 53340 of the Act, for the levy of the special tax in the then current tax year or future tax years, except that the special tax rates to be levied shall not exceed the maximum rates set forth in Exhibit "A".

Section 3. All of the collections of the special tax shall be used as provided for in the Act and the Resolution of Formation.

Section 4. The above authorized special tax shall be collected in the same manner as ordinary ad valorem taxes are collected and shall be subject to the same penalties and the same procedure and sale in cases of delinquency and provided for ad valorem taxes.

Section 5. The Mayor shall sign this ordinance and the City Clerk shall attest to such signature. The City Clerk is directed to cause the title and summary or text of the this ordinance, together with the vote thereon, to be published within fifteen (15) days after its passage at least once in a newspaper of general circulation published and circulated within the territorial jurisdiction of the City, and to post at the main office of the City a certified copy of the full text of the adopted ordinance along with the names of the Council Members voting for and against the ordinance.

Section 6. This ordinance relating to the levy of the special tax takes effect and shall be in force from and after 30 days from the date of final passage. A copy of this ordinance shall be transmitted to the Clerk of the Board of Supervisors of Riverside County, the Assessor and the Treasurer-Tax Collector of Riverside County.

**PASSED, APPROVED and ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2024  
by the following votes:

AYES:

NOES:

\_\_\_\_\_  
**MAYOR**

**ATTEST:**

\_\_\_\_\_  
**CITY CLERK**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**CITY ATTORNEY**

**REVIEWED:**

\_\_\_\_\_  
**CITY MANAGER**

**EXHIBIT A**

**RATE AND METHOD OF APPORTIONMENT**

**RATE AND METHOD OF APPORTIONMENT FOR  
IMPROVEMENT AREA NO. 22 OF  
COMMUNITY FACILITIES DISTRICT NO. 2006-1  
(THE WREN)  
OF THE CITY OF CATHEDRAL CITY**

A Special Tax as hereinafter defined shall be levied on all Assessor's Parcels in Improvement Area No. 22 ("IA No. 22") of Community Facilities District No. 2006-1 of the City of Cathedral City ("CFD No. 2006-1") and collected each Fiscal Year commencing in Fiscal Year 2024-2025, in an amount determined by the Council through the application of the appropriate Special Tax for "Developed Property" as described below. All of the real property in IA No. 22, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

**A. DEFINITIONS**

The terms hereinafter set forth have the following meanings:

**"Acre" or "Acreage"** means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable final map, parcel map, condominium plan, or other recorded County parcel map.

**"Act"** means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

**"Administrative Expenses"** means the following actual or reasonably estimated costs directly related to the administration of IA No. 22: 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 of collecting the Special Taxes (whether by the County or otherwise); the costs to the City, IA No. 22 or any designee thereof of complying with City or IA No. 22 disclosure requirements; the costs associated with responding to public inquiries regarding the Special Taxes; the costs of the City, IA No. 22 or any designee thereof related to an appeal of the Special Tax; and the City's annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the City or IA No. 22 for any other administrative purposes of IA No. 22, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

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

**"CFD Administrator"** means an official of the City, or designee thereof, responsible for the annual administration of IA No. 22 as provided herein.

"**CFD No. 2006-1**" means Community Facilities District No. 2006-1 of the City.

"**City**" means the City of Cathedral City.

"**Consumer Price Index**" means the Consumer Price Index published by the U.S. Bureau of Labor Statistics for "All Urban Consumers" in the Los Angeles - Anaheim - Riverside Area, measured as of the month of December in the calendar year which ends in the previous Fiscal Year. In the event this index ceases to be published, the Consumer Price Index shall be another index as determined by the CFD Administrator that is reasonably comparable to the Consumer Price Index for the City of Los Angeles.

"**Council**" means the City Council of the City, acting as the legislative body of CFD No. 2006-1.

"**County**" means the County of Riverside.

"**Developed Property**" means, for each Fiscal Year, all Taxable Property for which a building permit for new construction was issued after March 1, 2024 and prior to May 1 of the previous Fiscal Year.

"**Fiscal Year**" means the period starting July 1 and ending on the following June 30.

"**Floor Area**" for any Non-Residential Property means the total square footage of the building(s) located on such property, measured from outside wall to outside wall, exclusive of overhangs, porches, patios, carports, or similar spaces attached to the building but generally open on at least two sides. The determination of Floor Area shall be made by reference to the building permit(s) issued for such Assessor's Parcel.

"**Improvement Area No. 22**" means Improvement Area No. 22 of CFD No. 2006-1 (The Wren), as identified on the boundary map for CFD No. 2006-1.

"**Land Use Class**" means any of the classes listed in Table 1.

"**Maximum Special Tax**" means the Maximum Special Tax, determined in accordance with Section C.1 below, which can be levied in any Fiscal Year on any Assessor's Parcel.

"**Non-Residential Property**" means all Assessor's Parcels for which a building permit(s) was issued for a non-residential use.

"**Non-Retail Commercial/Industrial Property**" means all Assessor's Parcels of Developed Property that are considered Non-Residential Property and that are not Retail Commercial Property.

"**Property Owner Association Property**" means, for each Fiscal Year, any Assessor's Parcel within the boundaries of IA No. 22 that was owned by or irrevocably offered for

dedication to a property owner association, including any master or sub-association, as of January 1 of the previous Fiscal Year.

**"Public Property"** means, for each Fiscal Year, (i) any property within the boundaries of IA No. 22 that was owned by or irrevocably offered for dedication to the federal government, the State, the City or any other public agency as of January 1 of the previous Fiscal Year; provided however that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use; or (ii) any property within the boundaries of IA No. 22 that was encumbered, as of January 1 of the previous Fiscal Year, by an unmanned utility easement making impractical its utilization for other than the purpose set forth in the easement.

**"Residential Property"** means all Assessor's Parcels of Developed Property for which a building permit has been issued for purposes of constructing one or more residential dwelling units.

**"Retail Commercial Property"** means all Assessor's Parcels of Non-Residential Property for which the building permit was issued for a retail sales tax generating use or which is being used primarily for a retail sales tax generating use, as determined by the CFD Administrator. However, if the land use of an Assessor's Parcel changes and such Assessor's Parcel no longer generates retail sales tax, such Assessor's Parcel shall no longer be considered Retail Commercial Property and shall be classified and taxed according to its use, as determined by the CFD Administrator.

**"Special Tax"** means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Developed Property.

**"State"** means the State of California.

**"Taxable Property"** means all of the Assessor's Parcels within the boundaries of IA No. 22 which are not exempt from the Special Tax pursuant to law or Section E below.

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

**"Welfare Exemption"** means, for each Fiscal Year, any Assessor's Parcel that is used exclusively for charitable, hospital, or religious purposes and that has a property tax welfare exemption as indicated in the County's assessor's roll finalized as of the last preceding January 1.

**B. ASSIGNMENT TO LAND USE CATEGORIES**

Each Fiscal Year, all Taxable Property within IA No. 22 shall be classified as Developed Property or Undeveloped Property and shall be subject to Special Taxes in accordance

with the rate and method of apportionment determined pursuant to Section C. Residential Property shall be assigned to Land Use Class 1. Non-Retail Commercial/Industrial Property shall be assigned to Land Use Class 2.

**C. MAXIMUM SPECIAL TAX**

**1. Developed Property**

a. Maximum Special Tax

The Maximum Special Tax for Fiscal Year 2024-2025 for each Land Use Class is shown below in Table 1.

**TABLE 1**  
**Maximum Special Tax for Developed Property**  
**For Fiscal Year 2024-2025**  
**Improvement Area No. 22**

Land Use Class	Description	Maximum Special Tax
1	Residential Property	\$669.50 per unit
2	Non-Retail Commercial/Industrial Property	\$0.1556 per square foot of Floor Area

b. Increase in the Maximum Special Tax

On each July 1, commencing on July 1, 2025, the Maximum Special Tax shall be increased (but not decreased) by the percentage change in the Consumer Price Index not to exceed one percent (1%) per Fiscal Year.

c. Multiple Land Use Classes

In some instances an Assessor’s Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax that can be levied on an Assessor’s Parcel shall be the sum of the Maximum Special Taxes that can be levied for all Land Use Classes located on that Assessor’s Parcel.

**2. Undeveloped Property**

No Special Tax shall be levied on Undeveloped Property.

**D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX**

Commencing with Fiscal Year 2024-2025 and for each following Fiscal Year, the Council shall levy the Special Tax on each Assessor's Parcel of Developed Property at 100% of the applicable Maximum Special Tax.

**E. EXEMPTIONS**

No Special Tax shall be levied on Retail Commercial Property, Property Owner Association Property, Public Property, or any Assessor's Parcel that has a Welfare Exemption. However, should an Assessor's Parcel no longer be classified as Retail Commercial Property, Property Owner Association Property, Public Property, or have a Welfare Exemption, its tax-exempt status will, without the necessity of any action by the Council, terminate.

**F. APPEALS AND INTERPRETATIONS**

Any landowner or resident may file a written appeal of the Special Tax on his/her property with the CFD Administrator, provided that the appellant is current in his/her payments of Special Taxes. During the pendency of an appeal, all Special Taxes previously levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination. If the CFD Administrator agrees with the appellant, the CFD Administrator shall eliminate or reduce the Special Tax on the appellant's property and/or provide a refund to the appellant. If the CFD Administrator disagrees with the appellant and the appellant is dissatisfied with the determination, the appellant then has 30 days in which to appeal to the Council by filing a written notice of appeal with the City Clerk, provided that the appellant is current in his/her payments of Special Taxes. The second appeal must specify the reasons for its disagreement with the CFD Administrator's determination.

Interpretations may be made by the Council by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment.

**G. 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 IA No. 22 may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on delinquent Assessor's Parcels as permitted by the Act.

**H. TERM OF SPECIAL TAX**

The Council is authorized to levy the Special Tax in perpetuity.

PROPOSED BOUNDARIES OF  
IMPROVEMENT AREA NO. 22  
OF CITY OF CATHEDRAL CITY  
COMMUNITY FACILITIES DISTRICT NO. 2006-1  
(THE WREN)  
COUNTY OF RIVERSIDE  
STATE OF CALIFORNIA

(1) Filed in the office of the City Clerk of the City of Cathedral City this 9th day of October, 2024.

Tracey R. Hermosillo  
Tracey R. Hermosillo, CMC, City Clerk of Cathedral City

(2) I hereby certify that the within map showing the proposed boundaries of Improvement Area No. 22 of City of Cathedral City Community Facilities District No. 2006-1 (The Wren), Riverside County, State of California, was approved by the City Council at a regular meeting thereof, held on this 9th day of October, 2024, by its Resolution No. 2024-40.

Tracey R. Hermosillo  
Tracey R. Hermosillo, CMC, City Clerk of Cathedral City

(3) Filed this 17th day of October, 2024, at the hour of 10:47 o'clock a.m. in Book 94 of Maps of Assessment and Community Facilities Districts at page 41 and as Instrument No. 2024-0312688 in the office of the County Recorder of Riverside County, State of California.

Peter Aldana  
Assessor-County Clerk-Recorder of Riverside County

By Jackie  
Deputy

Fee \$ 9.00

