

Improvement Area No. 1 of  
**COMMUNITY FACILITIES  
DISTRICT NO. 7**

**ANNUAL  
SPECIAL TAX &**

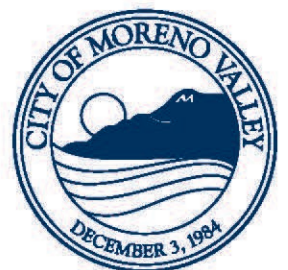
**2021/22**

**BOND ACCOUNTABILITY REPORT**

REPORT DATE: MAY 2021

CITY OF MORENO VALLEY  
**SPECIAL DISTRICTS DIVISION**  
FINANCIAL & MANAGEMENT SERVICES DEPARTMENT

14177 Frederick St.  
PO Box 88005  
Moreno Valley, CA 92552  
SDAdmin@moval.org  
951.413.3470



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# LIST OF PARTICIPANTS

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## Improvement Area No. 1 of CFD No. 7 Special Tax Bonds Series 2016

### City Contacts

Brian Mohan  
Acting Assistant City Manager  
Chief Financial Officer/City Treasurer  
14177 Frederick Street  
P.O. Box 88005  
Moreno Valley, CA 92552-0805  
951.413.3021  
[brianm@moval.org](mailto:brianm@moval.org)

Candace E. Cassel  
Special Districts Division Manager  
14177 Frederick Street  
P.O. Box 88005  
Moreno Valley, CA 92552-0805  
951.413.3470  
[candacec@moval.org](mailto:candacec@moval.org)

### Bond Counsel

William Bothwell, Esq.  
Orrick Herrington & Sutcliffe LLP  
777 S. Figueroa Street, Suite 3200  
Los Angeles, California 90017  
213.612.2403  
[wbothwell@orrick.com](mailto:wbothwell@orrick.com)

### Disclosure Counsel

Brad Neal, Esq.  
Stradling Yocca Carlson & Rauth  
660 Newport Center Drive, Suite 1600  
Newport Beach, CA 92660  
949.725.4164  
[bneal@sycr.com](mailto:bneal@sycr.com)

### Underwriter

Sara Brown  
Stifel, Nicolaus & Company, Inc.  
One Montgomery Street, 35th Floor  
San Francisco, California 94104  
415.364.6872  
[sbrown@stifel.com](mailto:sbrown@stifel.com)

### Financial Advisor

James V. Fabian  
Fieldman, Rolapp & Associates  
19900 MacArthur Boulevard, Suite 1100  
Irvine, CA 92612  
949.660.7300  
[jfabian@fieldman.com](mailto:jfabian@fieldman.com)

### Trustee

Dania D. Samai  
Wells Fargo Bank, N. A.  
Corporate Trust Services  
333 S. Grand Avenue  
Fifth Floor, Suite 5A  
Los Angeles, CA 90071  
213.253.7516  
[danial.d.samai@wellsfargo.com](mailto:danial.d.samai@wellsfargo.com)

### Special Tax Consultant/Dissemination Agent

Willdan Financial Services  
27368 Vía Industria No. 200  
Temecula, California 92590  
(951). 587.3500  
[www.willdan.com](http://www.willdan.com)

# **I. INTRODUCTION**

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## **A. DESCRIPTION OF PROCEEDINGS**

The City of Moreno Valley (the “City”) is located approximately 66 miles east of Los Angeles and 100 miles north of San Diego, California. The City is approximately 51.5 square miles, located in the western portion of Riverside County, bordered by the cities of Riverside and Perris, March Air Reserve Base, and Lake Perris.

Pursuant to the Official Statement dated August 25, 2016, Improvement Area No. 1 (the “Improvement Area No. 1”) of Community Facilities District (CFD) No. 7 of the City of Moreno Valley (the “District”) issued \$3,265,000 in Special Tax Bonds, Series 2016 (the “Bonds”). Bonds were issued to refinance certain public facilities and issuance costs related to development within Improvement Area No. 1.

The Bonds are special obligations of the District and are payable solely from Net Special Tax Revenues levied on parcels within Zone 2 of Improvement Area No. 1 (see Table 3 for the Assessor’s Parcel Numbers (APN)). Special taxes are to be levied on the property tax roll according to the amended and restated rate and method of apportionment (the “Amended and Restated RMA”) approved by the City Council of the City of Moreno Valley and the qualified electors within Improvement Area No. 1.

Neither the faith and credit nor the taxing power of the City, the County, the State of California, or any political subdivision thereof, is pledged to the payment of the Bonds. Except for the special taxes, no other taxes are pledged to the payment of the Bonds. The Bonds are not general or special obligations of the City or general obligations of the District, but are special obligations of the District payable exclusively from special taxes and amounts held under the Indenture, dated September 1, 2016, as more fully described in the Official Statement.

On June 24, 2008, the City Council formed CFD No. 7, with Improvement Areas No. 1, No. 2, and No. 3, each with its own Rate and Method of Apportionment (RMA). The District was originally formed to finance the acquisition of street improvements and Flood Control Facilities (as defined further in the RMA and herein). Individual Improvement Areas were established so property owners within each Improvement Area could construct public improvements to facilitate future development within the Improvement Area and issue bonds specific to those public improvements. Improvement Area No. 2 dissolved at the property owner’s request in 2012 and the Improvement Area No. 3 property owners are not expected to request issuance of bonds to finance public improvements.

For further information concerning the City, District, or Bonds, reference is made to the Official Statement of the Bonds.

**Table 1: Summary of Proceedings**

Document	Number	Date
Resolution of Formation	2008-82	June 24, 2008
Resolution of Consideration to Amend the RMA and Boundaries	2016-30	May 17, 2016
Resolution Approving the Amended and Restated RMA	2016-50	June 21, 2016
Ordinance Authorizing the Levy of a Special Tax	911	July 5, 2016
Resolution Authorizing the Issuance of Bonds	2016-64	August 16, 2016

Special Tax Bonds Series 2016	
Date of Bond Issue (Dated Date)	September 15, 2016
Date of Bond Maturity	September 1, 2047
Amount of Bond Issue	\$3,265,000
Bond Rating	Not Rated

**Table 2: Bond Principal**

Year	CUSIP*	Principal Amount	Year	CUSIP*	Principal Amount
2018	616865 EU1	\$75,000	2028	616865 FG1	\$ 90,000
2019	616865 EV9	75,000	2029	616865 FH9	95,000
2020	616865 EW7	75,000	2030	616865 FJ5	95,000
2021	616865 EX5	80,000	2031	616865 FK2	100,000
2022	616865 EY3	80,000	2032	616865 FL0	100,000
2023	616865 EZ0	80,000	2033	616865 FM8	105,000
2024	616865 FA4	85,000	2034	616865 FN6	110,000
2025	616865 FB2	85,000	2035	616865 FP1	110,000
2026	616865 FE6	85,000	2039	616865 FC0	480,000
2027	616865 FF3	90,000	2047	616865 FD8	1,170,000

\*Committee on Uniform Security Identification Procedures (CUSIP)  
 + Copyright, American Bankers Association. CUSIP data is provided by Standard and Poor's, CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Service Bureau. CUSIP numbers are provided for convenience of reference only. The District takes no responsibility for the accuracy of such number.

**B. DISTRICT DESCRIPTION**

Improvement Area No. 1 is located east of Interstate 215 and south of State Route 60 in the City. Zone 1 is located south of San Michele Road, east of Heacock Street, north of Nandina Avenue, and west of Indian Street. Zone 2 includes the property north of San Michele Road, south of Cardinal Avenue, west of Indian Street, and east of Heacock Street.

Only parcels within Zone 2 are subject to the special tax per the Amended and Restated RMA. Zone 2 includes approximately 73.48 acres which have been fully developed into an approximately 1.25 million square foot, one story mezzanine warehouse currently being leased and operated as an Amazon.com “Fulfillment Center”. The District was formed to finance certain public facilities and costs related to the development within the District.

**i. BOUNDARIES OF THE DISTRICT**

The amended boundary map of Improvement Area No. 1 was filed in the Riverside County Recorder’s office, as Instrument No. 2016-0214732, in Book 79 Page 74 of Maps of Assessment and Community Facilities Districts, and is included in Appendix C.

The boundary map for the Future Annexation Area for Improvement Area No. 1 was filed in the Riverside County Recorder’s office, as Instrument No. 2008-0265596, in Book 73 of Maps of Assessment and Community Facilities Districts at Page 9, and is included in Appendix D.

**ii. ASSESSED VALUATION**

The historical assessed valuation, as well as the most recent detail assessed valuation, for taxable property within the District are included in the tables below.

**Table 3: Historical Valuation**

Fiscal Year	Assessed Land Value	Assessed Structure Value	Total Assessed Value
2015/16	\$ 20,902,365	\$ 64,343,485	\$ 85,245,850
2016/17	21,320,409	65,630,353	86,950,762
2017/18	21,746,813	67,613,959	89,360,772
2018/19	22,181,747	68,966,237	91,147,984
2019/20	22,625,381	70,345,560	92,970,941

Source: Assessed Values - Riverside County Property Tax Roll Information.

**Table 4: Detail Valuation**

APN	Property Owner	Development Status	Taxable Acres	Assessed Land Value	Assessed Structure Value	Total Assessed Value
316-170-018	I 215 LOGISTICS	Undeveloped	0.15	\$ 47,405	\$ -	\$ 47,405
316-170-020	I 215 LOGISTICS	Undeveloped	0.09	28,459	-	28,459
316-170-023	I 215 LOGISTICS	Developed	35.40	9,888,708	44,702,292	54,591,000
316-170-025	I215 LOGISTICS	Developed	18.43	6,389,252	23,687,493	30,076,745
316-170-026	I215 LOGISTICS	Developed	19.41	6,724,063	3,362,685	10,086,748
<b>Total</b>			<b>73.48</b>	<b>\$ 23,077,887</b>	<b>\$ 71,752,470</b>	<b>\$ 94,830,357</b>

Source: Assessed Values - Riverside County Property Tax Roll Information as of list dated 3/10/21

**C. PUBLIC IMPROVEMENTS ACQUIRED**

The Flood Control Facilities include approximately 3,240 feet of reinforced concrete pipes of various widths and approximately 3,560 feet of reinforced concrete box under Indian Street, San



Michele Road, and Nandina Avenue rights-of-way, and related manholes, junction structures and transition structures. All of the Flood Control Facilities were completed and accepted by the Flood Control District in 2009. Net proceeds of the Bonds were used to reimburse FR/CAL (Property Owner of Zone 1) for Zone 2's share of the cost of the Flood Control Facilities.

#### **D. CONSTRUCTION PROGRESS**

Five parcels, identified in Table 3, totaling approximately 73.48 acres are included in Zone 2, all of which are owned by I-215 Logistics. Zone 2 is built out with an approximately 1.25 million square foot, one story warehouse with approximately 240,000 square feet of mezzanine space (the "Warehouse") and a 2,400 car stall parking lot. The Warehouse is a tilt-up concrete construction and was completed in April 2014. The Warehouse includes approximately 55,000 square feet of office space, locker rooms, various break rooms, equipment repair areas and tool storage rooms, significant inflow and outflow employee screening areas including turnstiles and detectors at the two entrances, electrical services providing 16,000 Amps of power and back-up generators providing protection to early suppression fast response sprinklers and fire pump, and critical building systems. The address of the Warehouse is 24208 San Michele Road in the City.

The Warehouse is located on two of the five parcels (APNs 316-170-023 and 316-170-025), totaling approximately 53.83 acres. The parking lot for the Warehouse is located on APN 316-170-026, totaling approximately 19.41 acres. The two sliver parcels at the northeast end of Zone 2 (APNs 316-170-018 and 316-170-020) total 0.24 acres, are undeveloped, and currently are not intended to be developed. The entirety of the Warehouse is being leased by Amazon.com through a subsidiary and is being used as an Amazon "Fulfillment Center." Amazon uses the Warehouse to handle small items and apparel.

#### **E. DEVELOPMENT RESTRICTIONS**

As of the date of this report, the City is unaware of any significant events that have resulted in a reduction of the taxable acreage within the District.

#### **F. AREA DRAINAGE PLAN FEES**

An Area Drainage Plan (ADP) Fee Agreement (the "ADP Fee Agreement"), by and among the City, acting for itself and on behalf of the District, and the property owners of Improvement Area No. 1, No. 2, and No. 3, authorizes local ADP Fees paid on behalf of properties within the Improvement Areas to be allocated to offset special taxes for that Improvement Area. Under the ADP Fee Agreement, the owners of the parcels within the Future Annexation Area of Improvement Area No. 1 have the option to annex such parcels to Improvement Area No. 1 and be subject to the special tax for the purpose of financing their parcel's applicable share of the cost of flood control facilities or to pay the "Local Component" of the ADP Fee directly to the City, which will be transferred to the Trustee and used to offset the applied special taxes.

The Future Annexation Area for Improvement Area No. 1 is within the Perris Valley Perris Valley ADP. The ADP Fees, established by the Riverside County Flood Control and Water Conservation District (the "Flood Control District"), for the Perris Valley ADP are made up of a "Local Component," currently in the amount of \$7,805 per acre and a "Regional Component," currently in the amount of \$1,070 per acre. The ADP Fees are subject to increase in accordance with the rules and regulations of the Flood Control District.



To-date, property owners of four developments have opted to satisfy their share of the cost of flood control facilities by paying the local component of the ADP fee directly to the City. The table below represents the amounts that have been collected and used to offset the applied special tax.

**Table 5: ADP Fee Payments**

<b>Date</b>	<b>Owner (Record #)</b>	<b>Amount Collected</b>
12/29/2015	Cardinal Glass Industries (P15-061)	\$ 19,512.50
	Credit Toward Calculation of 2016/17 Levy	\$ (19,512.50)
	<b>Balance</b>	<b>\$ -</b>
07/27/2017	SRG Acquisition LLC (PEN16-0020)	\$ 153,290.20
08/22/2017	First Industrial LP (PEN16-0032)	\$ 306,580.40
	Credit Toward Calculation of 2018/19 Levy	\$ (200,037.50)
	<b>Balance</b>	<b>\$ 259,833.10</b>
	Credit Toward Calculation of 2019/20 Levy	\$ (198,537.50)
	<b>Balance</b>	<b>\$ 61,295.60</b>
	Credit Toward Calculation of 2020/21 Levy	\$ (61,295.60)
	<b>Balance</b>	<b>\$ -</b>
03/24/2021	MIG (PEN19-0213)	\$ 51,513.00
	Credit Toward Calculation of 2021/22 Levy	\$ (51,513.00)
	<b>Balance</b>	<b>\$ -</b>

**G. ANNEXATIONS**

To-date, no parcels have been annexed into the District.

## **II. FINANCIAL INFORMATION**

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### **A. FINANCIAL STATEMENTS**

The City's audited financial statements for the period ending June 30, 2021 will be filed separately with the EMMA service provided by the MSRB ([www.emma.msrb.org](http://www.emma.msrb.org)) and are hereby incorporated by reference into this report. The audited financial statements are also available from the City's Financial & Management Services Department and available for review on the City's website at [www.moval.org](http://www.moval.org). The City's audited financial statements are provided solely to comply with the Continuing Disclosure Agreement. No funds or assets of the City have been pledged or are required to be allocated for the payment of debt service on the Bonds.

### **B. PRINCIPAL AMOUNT OUTSTANDING**

The principal amount outstanding for the Bonds following the September 1, 2020 payment date was \$3,040,000. The Debt Service Schedule is included in Appendix B.

### **C. DESCRIPTION OF FUNDS**

The Indenture requires the Trustee to establish funds for the administration and control of the revenues and proceeds of the Bonds. The following is information regarding these funds.

#### **i. IMPROVEMENT FUND**

The Improvement Fund shall be established and maintained by the Trustee (Section 3.04 of the Indenture). All amounts in the Improvement Fund have been expended to pay for the acquisition of the approved facilities and the account was closed.

#### **ii. COSTS OF ISSUANCE FUND**

The Costs of Issuance Fund shall be established and maintained by the Trustee (Section 3.03 of the Indenture). All funds related to the Costs of Issuance Fund were distributed in accordance with the Indenture and the fund was closed.

#### **iii. SPECIAL TAX FUND**

The Trustee shall transfer available monies from the Special Tax Fund in accordance with Section 5.02 of the Indenture.

#### **iv. BOND FUND**

The Bond Fund shall be established and maintained by the Trustee (Section 5.03 of the Indenture). In accordance with the Indenture, monies within the Bond Fund shall be disbursed for the payment of principal and interest.

#### **v. REDEMPTION FUND**

All prepayments shall be deposited in the Redemption Fund and shall be used to redeem the Bonds.

Since issuance of Bonds, there have been no prepayments of the special tax obligation for any parcels within the District.

**vi. RESERVE FUND**

The Trustee shall maintain a separate Reserve Fund for the Bonds. Amounts from this fund may be deposited into the Bond Fund, if needed, to cure deficiencies (Section 5.05 of the Indenture).

**a) Reserve Fund Requirement**

The Reserve Requirement is \$170,362.50.

**vii. ADMINISTRATIVE EXPENSE FUND**

The Administrative Fund shall be established and maintained by the Trustee (Section 5.07 of the Indenture). The District shall pay administrative expenses from the Administrative Expense Fund. On or before the date amounts are needed to pay administrative expenses, the City, on behalf of the District, shall write a request for the Trustee to withdraw from the Administrative Expense Fund the amount necessary to pay the administrative expenses.

**viii. REBATE FUND**

The District, in accordance with the Indenture (Section 5.06), shall calculate the arbitrage rebate requirement in accordance with the Tax Certificate for the Bonds and shall, in writing, direct the Trustee to transfer funds to the Rebate Fund from funds furnished by the District as provided for in the Indenture. The Arbitrage computation for the period ending September 1, 2020 is reflected below.

**Table 6: Arbitrage Calculation Summary**

<b>Arbitrage Rebate Liability</b>	
<b>For the Period September 15, 2016 – September 1, 2020</b>	
Cost of Issuance	\$ (114.16)
Reserve	(13,963.69)
Administrative Expense	(682.00)
FV Computation Date Credit – 09/01/17	(1,835.97)
FV Computation Date Credit – 09/01/18	(1,810.85)
FV Computation Date Credit – 09/01/19	(1,785.51)
Computation Date Credit - 09/01/19	(1,760.00)
<b>Total</b>	<b>\$ (21,952.18)</b>
<b>Rebate Liability (90% of Total)</b>	<b>-</b>
Source: Arbitrage Rebate Calculation dated September 2020 prepared by Willdan Financial Services	

## D. FUND BALANCES

ADP fee payments received during prior and current fiscal years (see Table 5) were transferred to the Trustee in compliance with the Indenture. Fund balances for the ADP fees will be used to offset the Special Tax Requirement, resulting in reduced special taxes levied for FY 2021/22.

**Table 7: Fund Balances**

<b>Fund / Account</b>	<b>Balance as of March 31, 2020</b>
Special Tax Fund	\$ 226,610.79
Bond Fund	1,494.49
Reserve Fund	170,561.07
Administration Expense Fund	5.32
Rebate Fund	-
Cost of Issuance Fund	-
Improvement Fund	-
Redemption Fund	-

### **III. COMPUTATION OF THE SPECIAL TAX REQUIREMENT**

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#### **A. ADMINISTRATIVE EXPENSES**

The anticipated administrative expenses payable during the applicable debt service payment period for FY 2021/22 are included in the calculation of the Special Tax Requirement (Table 8) of this report. Expenses of this type shall be paid through the District's Administrative Expense Fund.

##### **i. TRUSTEE FEES**

This expense pays the Trustee's fee for carrying out its responsibilities associated with the Bonds and fund administration.

##### **ii. ARBITRAGE REBATE CALCULATION**

This expense is for calculating the arbitrage rebate as required by Federal Law.

##### **iii. PROFESSIONAL SERVICES**

This expense is for the preparation and dissemination of annual disclosure reports and significant events associated with the District. Expenses may also include disclosure legal counsel services.

##### **iv. CITY COSTS**

This expense is for the City's coordination of consultants, attorneys, bankers, investment bankers, and other contractors. In addition, City staff provides administrative services, prepares the Annual Special Tax and Bond Accountability Report, commissions, provides data, and reviews the annual continuing disclosure and arbitrage reports, calculates and submits the special tax levy information to the Riverside County Auditor-Controller, monitors tax installments and Bond proceeds, wires special tax payments to the Trustees and requisitions payments for services, maintains information on the City's website, responds to customer inquiries, and ensures compliance with related laws.

City costs also include the City's accounting of the Bond proceeds, fund monitoring, special tax delinquency management, administration of the debt service requirements, costs associated with outside auditors, and the general administrative services, which includes overhead for personnel support, office rent and maintenance, insurance, and support from City Council, City Manager, purchasing, media, and communications.

##### **v. COUNTY COSTS**

This expense is for the Riverside County fees to levy and collect the tax installments on the property tax bills. Riverside County assesses additional fees for any adjustments made to the property tax bills.

## B. SPECIAL TAX REQUIREMENT

Table 8: Special Tax Requirement

SPECIAL TAX REQUIREMENT	
Annual Debt Service	\$ 167,987.50
Reserve Fund Replenishment	-
Delinquent Installments	-
<b>Total Debt Service Requirement</b>	<b>\$ 167,987.50</b>
Administrative Expenses:	
Fiscal Agent Fees	4,000.00
Arbitrage Rebate Calculation	1,250.00
Professional Services	2,200.00
City Costs	25,000.00
<b>Total City Administrative Expenses</b>	<b>\$ 32,450.00</b>
County Costs:	
County Tax Roll Fees	100.00
<b>Total County Administrative Expenses</b>	<b>\$ 100.00</b>
<b>TOTAL GROSS REQUIREMENT</b>	<b>\$ 200,537.50</b>
<b>ADJUSTMENTS: INTEREST EARNINGS, TRANSFERS &amp; TAX CONTRIBUTIONS</b>	
Additional Funding:	
Reserve Fund Interest Earnings <sup>1</sup>	\$ (28,615.82)
ADP Fee Credit <sup>2</sup>	(51,513.00)
<b>Total Additional Funding</b>	<b>\$ (80,128.82)</b>
Transfer to Reserve Fund	\$ -
Adjustments & Contingency	-
<b>Total Contributions / Transfers</b>	<b>\$ -</b>
<b>TOTAL ADJUSTMENTS</b>	<b>\$ (80,128.82)</b>
<b>TOTAL NET SPECIAL TAX REQUIREMENT</b>	<b>\$ 120,408.68</b>
<sup>1</sup> Interest earned on cumulative ADP Fees collected. <sup>2</sup> Use of available fund balances received from payment of ADP fees from parcels within the future annexation area.	

## **IV. SPECIAL TAX ALLOCATION**

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The City has the power and as such is obligated to levy and collect the special tax according to the Amended and Restated RMA, which the legislative body (i.e. City Council) of the District and the eligible qualified electors within the District previously approved. The special tax formula apportions the total special tax requirement (i.e. principal, interest, administrative expenses, restoration of the Reserve Fund, if required, and anticipated delinquencies) each year and takes into account the availability of other revenues.

### **A. SPECIAL TAX RATES**

The maximum annual special tax rate for each Assessor's Parcel of developed and undeveloped property is \$3,500 per acre. There is no escalator clause for the maximum special tax. The maximum special tax shall be applied to the developed property prior to the levy of any special tax on undeveloped property. The maximum and applied special tax rate for each parcel classification is listed below.

**Table 9: Special Tax Rates**

<b>Tax Rate Area</b>	<b>Maximum Special Tax Rate</b>	<b>Applied Special Tax Rate</b>
Developed	\$ 3,500.00	\$ 1,644.03
Undeveloped	3,500.00	-

### **B. RATE AND METHOD OF APPORTIONMENT**

There have been no changes to the Amended and Restated RMA.

#### **i. SPECIAL TAX LEVY**

Each year, the City Council, acting as the legislative body of the District, shall approve and adopt a resolution of the Council approving the calculation of the maximum and applied special tax rates for the fiscal year for which the special tax shall be levied, prior to the levy of such special tax. This amount will include, but is not limited to, (i) debt service or the periodic costs on all outstanding Bonds due in the Calendar Year that commences in such Fiscal Year, (ii) Administrative Expenses, (iii) any amount required to establish or replenish any reserve funds established in association with the Bonds, (iv) any delinquencies in the payment of prior years' Special Taxes, and (v) a reasonable estimate of delinquencies expected to occur in the Fiscal Year in which the Special Tax will be levied, less (vi) any amount available to pay debt service or other periodic costs on the Bonds as reasonably determined by the CFD Administrator pursuant to the Indenture.

#### **ii. SPECIAL TAX LIEN**

The special taxes and any penalties thereon constitute a lien against the parcels of land that will be annually imposed until they are paid. Such lien is on parity with all special taxes and special assessments and is co-equal to and independent of the lien for general property taxes, regardless of when the taxes are imposed upon the same property. The special taxes have priority over all existing and future private liens



imposed on the property. Although the special taxes constitute liens on taxed parcels within the District, they do not constitute a personal indebtedness of the owners of property within the District. There is no assurance that the owners will be financially able to pay the annual special taxes or that they will pay such taxes even if financially able to do so. With certain limitations, the City has covenanted to commence foreclosure proceedings in the event delinquencies occur.

### C. SPECIAL TAX ALLOCATION

In accordance with the Amended and Restated RMA, the special tax levy will first be uniformly applied to Annexed and Developed Property in an amount not to exceed the maximum special tax rate. Then, if additional monies are needed to satisfy the annual special tax requirement, the special tax shall be levied proportionately on each Undeveloped Property. The following table provides the development status for properties within the boundaries of the District, the bonded indebtedness for each parcel, along with the allocation of the FY 2021/22 maximum and applied special tax.

**Table 10: Special Tax Allocation**

APN	Property Owner	Development Status <sup>1</sup>	Taxable Acres	Maximum Special Tax	Applied Special Tax <sup>2</sup>	Percentage of Maximum Special Tax	Bonded Indebtedness <sup>3,4</sup>
316-170-018	I 215 LOGISTICS	Undeveloped	0.15	\$ 525.00	\$ -	0.20%	\$ 6,042.46
316-170-020	I 215 LOGISTICS	Undeveloped	0.09	315.00	-	0.12%	3,625.48
316-170-023	I 215 LOGISTICS	Developed	35.40	123,900.00	58,198.64	48.18%	1,426,020.69
316-170-025	I215 LOGISTICS	Developed	18.43	64,505.00	30,299.44	25.08%	742,416.98
316-170-026	I215 LOGISTICS	Developed	19.41	67,935.00	31,910.60	26.42%	781,894.39
<b>Total</b>			<b>73.48</b>	<b>\$ 257,180.00</b>	<b>\$ 120,408.68</b>	<b>100.00%</b>	<b>\$ 2,960,000.00</b>

<sup>1</sup> The Developer's Continuing Disclosure Report contains property and lease information.  
<sup>2</sup> Annexed and Developed Property are levied proportionally up to 100% of the Maximum Special Tax then Undeveloped Property are levied proportionally up to the Maximum Special Tax.  
<sup>3</sup> Calculated based on the proration of each parcel's Maximum Special Tax multiplied by the total Bonds outstanding. Bonds are not allocated to or secured by any particular parcel within the District.  
<sup>4</sup> The City has not issued any additional land secured debt for the parcels within the District.  
Source: Property Owner-Riverside County GIS Parcel Data - February 2021.

### D. DELINQUENCIES IN PAYMENTS

Any amounts required to establish or replenish the reserve fund resulting from the delinquency in the payment of special taxes for bonds issued by the District shall be included in the calculation of the annual special tax. To-date, there are no delinquencies in payments.

**Table 11: Current Delinquencies**

<b>Fiscal Year</b>	<b>Amount Levied</b>	<b>Amount Delinquent <sup>1</sup></b>	<b>Percent Delinquent</b>
2016/17 <sup>2</sup>	\$70,916.02	\$0.00	0.00%
2017/18	\$189,409.54	\$0.00	0.00%
2018/19 <sup>3</sup>	\$0.00	\$0.00	0.00%
2019/20 <sup>3</sup>	\$0.00	\$0.00	0.00%
2020/21	\$140,841.90	\$0.00	0.00%

<sup>1</sup> Amount delinquent per the Riverside County website (<https://taxpayments.co.riverside.ca.us/taxpayments/Search.aspx>) as of February 9, 2021.

<sup>2</sup> Bonds were sold in September 2016, after the property tax roll deadline. The special tax requirement of \$70,916.02 was collected via hand bill.

<sup>3</sup> Special taxes were not levied because ADP fees were used to meet the special tax requirement.

**E. FORECLOSURE ACTIONS**

There are no foreclosure actions or sales pending in the District. In the event of any delinquencies, the District has covenanted for the benefit for the owners of the Bonds that it will determine or cause to be determined, no later than August 15 of each year, whether or not any owners of property within Improvement Area No. 1 of the District are delinquent in the payment of Special Taxes and, if such delinquencies exist, the District will order and cause to be commenced no later than October 1, and thereafter diligently prosecute, an action in the superior court to foreclose the lien of any Special Taxes or installment thereof not paid when due; provided, however, that the Community Facilities District shall not be required to order the commencement of foreclosure proceedings if (a) the total Special Tax delinquency in Improvement Area No. 1 of the Community Facilities District for such Fiscal Year is less than 5% of the total Special Tax levied in such Fiscal Year, and (b) the amount then on deposit in the Reserve Fund is equal to the Reserve Requirement (Indenture Section 6.02).

## Appendix A: Bond Accountability Report (SB 165)

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This Bond Accountability Report is required to demonstrate the special tax requirement for each parcel within the District to meet the debt service requirements of the Bonds. Based upon the special tax requirement, as calculated in Section III, the FY 2021/22 special tax levy for each taxable parcel is shown in Section IV.

The Local Agency Special Tax Bond and Accountability Act (“Act”), enacted by Senate Bill 165 and codified in the California Government Code Sections 53410 through 53412, requires local agencies to submit an annual report to its governing body on local bond measures sold after January 1, 2001. In addition to the Annual Special Tax Report, this report also serves as the Annual Bond Accountability Report as required per the Act. The purpose of the report is to comply with Section 53411 of the Government Code that states:

“The chief fiscal officer of the issuing local agency shall file a report with its governing body no later than January 1, 2002, and at least once a year thereafter. The annual report shall contain 1) the amount of funds collected and expended and 2) the status of any project required or authorized to be funded as identified in subdivision (a) of Section 53410.”

The requirements of the Act apply to the Improvement Fund of the District. All improvements for the District are complete. The special taxes collected from property owners of properties within the District are collected and expended to pay debt service and administrative expenses of the District. For additional financial information, please see Section II Financial Information of this report.

District	Date Bonds Issued	Initial Deposit in Improvement Fund	Balance as of December 31, 2019	Amount Expended To-Date	Project Status
Improvement Area No. 1 of CFD No. 7	September 15, 2016	\$2,703,341.58	\$0.00	\$2,703,341.58	See Section I.C



# Trial Balance Listing

Through 06/30/20  
Detail Listing  
Exclude Rollup Account

Account	Account Description	Balance Forward	YTD Debits	YTD Credits	Ending Balance
Fund	4114 - IMPROVEMENT AREA #1 CFD #7				
Department	99 - Non-Department				
Division	99 - Non-departmental				
Section	94114 - Non-Dept IMPROVE AREA#1 CFD#7				
404000	Special Taxes	.00	.00	.00	.00
460010	Interest Income - Investments	.00	.00	7,167.79	(7,167.79)
589900	Other Misc. Revenue	.00	.00	.00	.00
620299	Professional Svcs - Other	.00	7,450.00	.00	7,450.00
620320	Agency Svcs - Cnty	.00	.00	.00	.00
670314	Bond Principal	.00	75,000.00	.00	75,000.00
670410	Interest Expense	.00	91,837.50	.00	91,837.50
679010	Expenditure Close to Bal*	.00	.00	192,119.71	(192,119.71)
692020	Admin Chrg - Special Dist	.00	25,000.00	.00	25,000.00
Section 94114 - Non-Dept IMPROVE AREA#1		\$0.00	\$199,287.50	\$199,287.50	\$0.00
Division 99 - Non-departmental Totals		\$0.00	\$199,287.50	\$199,287.50	\$0.00
Department 99 - Non-Department Totals		\$0.00	\$199,287.50	\$199,287.50	\$0.00
Fund	4114 - IMPROVEMENT AREA #1 CFD #7 Totals	\$0.00	\$199,287.50	\$199,287.50	\$0.00

\* A combination of Special Taxes collected for future Debt Service payments and ADP fees collected for the benefit of the District. Collected ADP fees will be used to reduce the Special Taxes levied on parcels in the District in future years.

# Appendix B: Debt Service Schedule

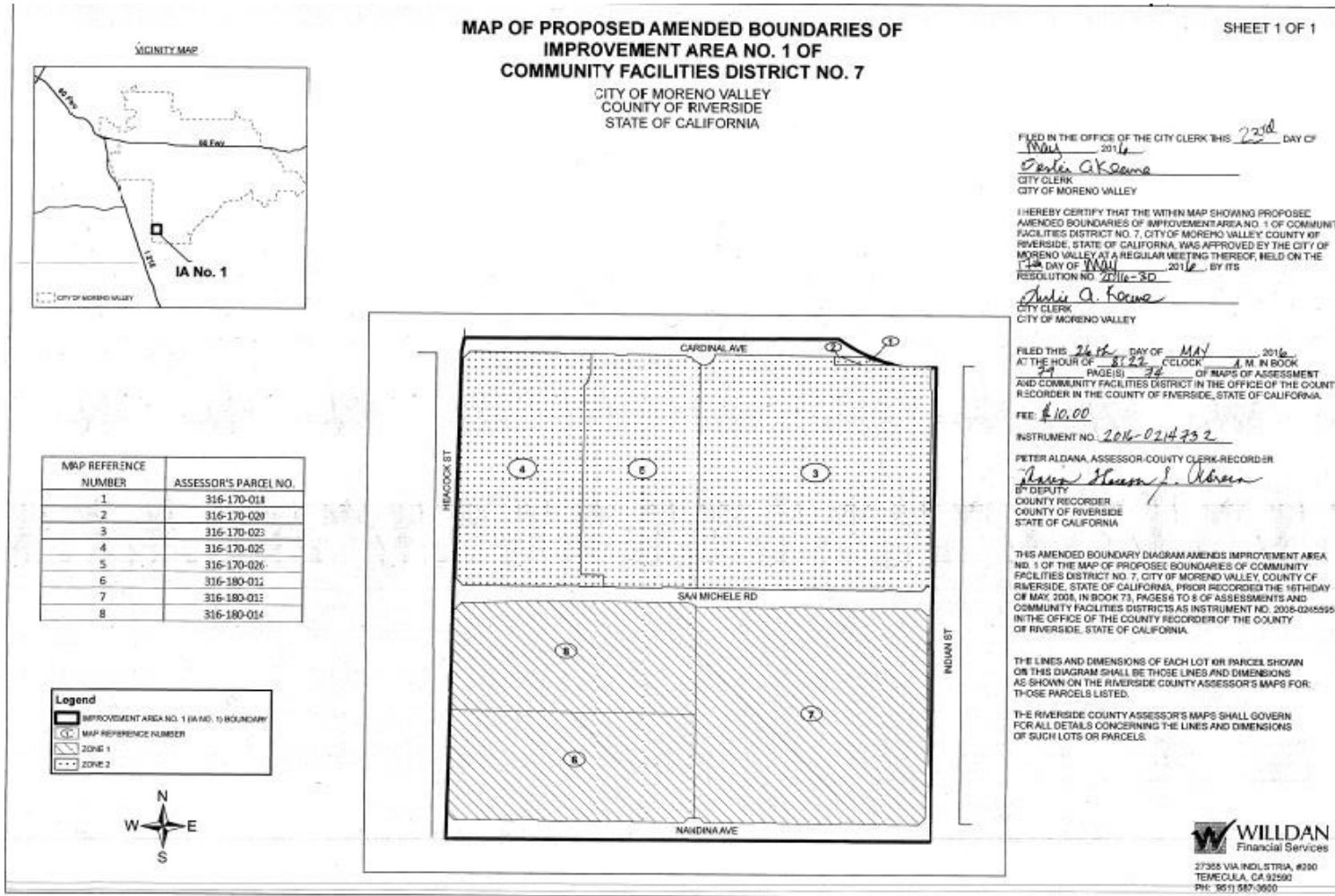
CITY OF MORENO VALLEY COMMUNITY FACILITIES DISTRICT NO. 7

Special Tax Bonds Series 2016

Dated Date	25-Aug-16	Last Maturity	1-Sep-47
Issue Date	15-Sep-16	First Coupon	1-Mar-17
First Maturity	1-Sep-18		

Date	Principal Due	Interest Rate	Interest Due	Total Debt Service	Annual Debt Service	Principal Remaining
1-Mar-17			\$43,384.79	\$43,384.79		\$3,265,000.00
1-Sep-17			47,043.75	47,043.75	\$90,428.54	3,265,000.00
1-Mar-18			47,043.75	47,043.75		3,265,000.00
1-Sep-18	\$75,000.00	2.000%	47,043.75	122,043.75	169,087.50	3,190,000.00
1-Mar-19			46,293.75	46,293.75		3,190,000.00
1-Sep-19	75,000.00	2.000%	46,293.75	121,293.75	167,587.50	3,115,000.00
1-Mar-20			45,543.75	45,543.75		3,115,000.00
1-Sep-20	75,000.00	2.000%	45,543.75	120,543.75	166,087.50	3,040,000.00
1-Mar-21			44,793.75	44,793.75		3,040,000.00
1-Sep-21	80,000.00	2.000%	44,793.75	124,793.75	169,587.50	2,960,000.00
1-Mar-22			43,993.75	43,993.75		2,960,000.00
1-Sep-22	80,000.00	2.000%	43,993.75	123,993.75	167,987.50	2,880,000.00
1-Mar-23			43,193.75	43,193.75		2,880,000.00
1-Sep-23	80,000.00	2.000%	43,193.75	123,193.75	166,387.50	2,800,000.00
1-Mar-24			42,393.75	42,393.75		2,800,000.00
1-Sep-24	85,000.00	2.000%	42,393.75	127,393.75	169,787.50	2,715,000.00
1-Mar-25			41,543.75	41,543.75		2,715,000.00
1-Sep-25	85,000.00	2.000%	41,543.75	126,543.75	168,087.50	2,630,000.00
1-Mar-26			40,693.75	40,693.75		2,630,000.00
1-Sep-26	85,000.00	2.250%	40,693.75	125,693.75	166,387.50	2,545,000.00
1-Mar-27			39,737.50	39,737.50		2,545,000.00
1-Sep-27	90,000.00	2.500%	39,737.50	129,737.50	169,475.00	2,455,000.00
1-Mar-28			38,612.50	38,612.50		2,455,000.00
1-Sep-28	90,000.00	2.500%	38,612.50	128,612.50	167,225.00	2,365,000.00
1-Mar-29			37,487.50	37,487.50		2,365,000.00
1-Sep-29	95,000.00	2.750%	37,487.50	132,487.50	169,975.00	2,270,000.00
1-Mar-30			36,181.25	36,181.25		2,270,000.00
1-Sep-30	95,000.00	3.000%	36,181.25	131,181.25	167,362.50	2,175,000.00
1-Mar-31			34,756.25	34,756.25		2,175,000.00
1-Sep-31	100,000.00	3.000%	34,756.25	134,756.25	169,512.50	2,075,000.00
1-Mar-32			33,256.25	33,256.25		2,075,000.00
1-Sep-32	100,000.00	3.000%	33,256.25	133,256.25	166,512.50	1,975,000.00
1-Mar-33			31,756.25	31,756.25		1,975,000.00
1-Sep-33	105,000.00	3.000%	31,756.25	136,756.25	168,512.50	1,870,000.00
1-Mar-34			30,181.25	30,181.25		1,870,000.00
1-Sep-34	110,000.00	3.000%	30,181.25	140,181.25	170,362.50	1,760,000.00
1-Mar-35			28,531.25	28,531.25		1,760,000.00
1-Sep-35	110,000.00	3.125%	28,531.25	138,531.25	167,062.50	1,650,000.00
1-Mar-36			26,812.50	26,812.50		1,650,000.00
1-Sep-36	115,000.00	3.250%	26,812.50	141,812.50	168,625.00	1,535,000.00
1-Mar-37			24,943.75	24,943.75		1,535,000.00
1-Sep-37	120,000.00	3.250%	24,943.75	144,943.75	169,887.50	1,415,000.00
1-Mar-38			22,993.75	22,993.75		1,415,000.00
1-Sep-38	120,000.00	3.250%	22,993.75	142,993.75	165,987.50	1,295,000.00
1-Mar-39			21,043.75	21,043.75		1,295,000.00
1-Sep-39	125,000.00	3.250%	21,043.75	146,043.75	167,087.50	1,170,000.00
1-Mar-40			19,012.50	19,012.50		1,170,000.00
1-Sep-40	130,000.00	3.250%	19,012.50	149,012.50	168,025.00	1,040,000.00
1-Mar-41			16,900.00	16,900.00		1,040,000.00
1-Sep-41	135,000.00	3.250%	16,900.00	151,900.00	168,800.00	905,000.00
1-Mar-42			14,706.25	14,706.25		905,000.00
1-Sep-42	140,000.00	3.250%	14,706.25	154,706.25	169,412.50	765,000.00
1-Mar-43			12,431.25	12,431.25		765,000.00
1-Sep-43	145,000.00	3.250%	12,431.25	157,431.25	169,862.50	620,000.00
1-Mar-44			10,075.00	10,075.00		620,000.00
1-Sep-44	150,000.00	3.250%	10,075.00	160,075.00	170,150.00	470,000.00
1-Mar-45			7,637.50	7,637.50		470,000.00
1-Sep-45	155,000.00	3.250%	7,637.50	162,637.50	170,275.00	315,000.00
1-Mar-46			5,118.75	5,118.75		315,000.00
1-Sep-46	155,000.00	3.250%	5,118.75	160,118.75	165,237.50	160,000.00
1-Mar-47			2,600.00	2,600.00		160,000.00
1-Sep-47	160,000.00	3.250%	2,600.00	162,600.00	165,200.00	0.00
<b>Total</b>	<b>\$3,265,000.00</b>		<b>\$1,870,966.04</b>	<b>\$5,136,966.04</b>	<b>\$5,136,966.04</b>	

# Appendix C: District Boundary Map





# Appendix D: Boundaries of Future Annexation Area

