

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BEAUMONT, CALIFORNIA, DISSOLVING IMPROVEMENT AREA NO. 19F OF CITY OF BEAUMONT COMMUNITY FACILITIES DISTRICT NO. 93-1 AND ORDERING THE RECORDATION OF A NOTICE OF CESSATION OF SPECIAL TAX LIEN TO IMPROVEMENT AREA NO. 19F

WHEREAS, in 1993, the City Council (the “City Council”) of the City of Beaumont (the “City”) initiated proceedings pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the “Mello-Roos Act”), Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with Section 53111 of the California Government Code, to form a community facilities district designated as City of Beaumont Community Facilities District No. 93-1 (the “District”); and

WHEREAS, on August 11, 1993, the City Council adopted Ordinance No. 721 (the “Ordinance of Formation”) thereby forming the District; and

WHEREAS, Improvement Area No. 19F of the District (“Improvement Area No. 19F”) was formed on November 16, 2004 and annexed into the District pursuant to an Ordinance adopted by the City Council acting as the legislative body of the District (the “Improvement Area Ordinance”); and

WHEREAS, Improvement Area No. 19F was formed for the purpose of financing (a) certain facilities to be owned by the City, (b) certain fees required to be paid to the City to finance public works, drainage, transportation and local facilities ((a) and (b) are collectively, the “Facilities”) and (c) certain services to be provided within Improvement Area No. 19F (the “Services”); and

WHEREAS, the Improvement Area Ordinance authorized the levy of special taxes commencing in Fiscal Year 2005-06 in Improvement Area No. 19F to finance the Facilities and Services and/or to pay debt service on bonds authorized to be issued for Improvement Area No. 19F of the District for financing the Facilities; and

WHEREAS, a Notice of Special Tax Lien was recorded on December 15, 2004 as Document No. 2004-0993800 (the “Notice of Special Tax Lien”) in the office of the Assessor, County Clerk, and Recorder of the County of Riverside against the property within Improvement Area No. 19F of the District imposing a lien on such property to secure the payment of the special taxes to be levied within Improvement Area No. 19F; and

WHEREAS, no bonds have been issued by the District with respect to Improvement Area No. 19F; and

WHEREAS, SDC Fairway Canyon, LLC and D.R. Horton Los Angeles Holding Company, Inc. (collectively, the “Owners”), the current owners of all of the property within Improvement Area No. 19F of the District, have, on behalf of themselves and their respective successors and/or assigns submitted a request to the District (the “Request”) in which the Owners:

(a) requested that the City form the City of Beaumont Community Facilities District No. 2021-1 (Fairway Canyon) with boundaries that include a portion of the area within Improvement Area No. 19F,

(b) requested that the City Council undertake proceedings pursuant to the Mello-Roos Act to dissolve Improvement Area No. 19F of the District,

(c) voluntarily and knowingly waived their rights, if any, to have the cost of the Facilities and Services, or any portion thereof, paid on behalf of the Owners or reimbursed to the Owners by the City, the District, or both of them, from the proceeds of bonds or special taxes;

(d) voluntarily and knowingly waived the obligation, if any, of the City, the District, or both of them, to issue bonds or levy special taxes within Improvement Area No. 19F of the District;

(e) voluntarily and knowingly waived any protest, complaint or legal action of any nature whatsoever against the City, the District, or both of them, pertaining to the dissolution of Improvement Area No. 19F of the District and any liens established by the recordation of the Notice of Special Tax Lien, the failure to issue bonds or levy special taxes; and

(f) acknowledged and understood that the making of this request to dissolve Improvement Area No. 19F, and the subsequent dissolution of Improvement Area No. 19F, and of any liens established by the recordation of the Notice of Special Tax Lien, does not in any way whatsoever absolve, terminate, extinguish, reduce or otherwise modify the obligation of the Owners or any successor or assign of the Owners as the owner of all property in Improvement Area No. 19F with respect to the Facilities required by the City or any other public agency as a condition of approval of the development of the Owners' property within Improvement Area No. 19F;

NOW, THEREFORE, the City Council of the City of Beaumont does ordain as follows:

Section 1. Recitals. The above recitals are true and correct, and are incorporated herein as if set forth in full.

Section 2. Findings. The City Council acting as the legislative body of the District hereby finds and determines that:

A. No bonds have been issued by the District on behalf of Improvement Area No. 19F and the District is not obligated to pay any outstanding debt on behalf of Improvement Area No. 19F;

B. The Special Tax is no longer needed to pay principal and interest on debt incurred in order to construct facilities under the authority of the Mello-Roos Act, to pay the costs and incidental expenses of services or to pay the costs of the Services, and, based on the Request, is no longer needed to pay for the construction of facilities or the financing of Services authorized by the Mello-Roos Act; and

C. Accordingly, the Special Tax shall cease to be levied within Improvement Area No. 19F and the District has no authorization to levy any special tax on behalf of Improvement Area No. 19F.

Section 3. Dissolution.

A. The City Council hereby dissolves Improvement Area No. 19F of the District pursuant to Government Code Section 53338.5.

B. The City Council hereby orders the City Clerk to file or cause the filing of Notice of Cessation of Special Tax pursuant to Government Code Section 53330.5, which shall also be considered an addendum to the Notice of Special Tax Lien pursuant to Government Code Section 53338.5, which Notice of Cessation of Special Tax shall state that the obligation to pay the special tax has ceased and that the lien imposed by the Notice of Special Tax Lien recorded as Document No. 2004-0993800 in the records of the office of the Assessor, County Clerk, and the Recorder of County of Riverside, State of California, is extinguished and that Improvement Area No. 19F and all associated liens have been dissolved, and shall additionally identify that the boundary map of the District has been recorded in the County of Riverside, book 58, page 14 of the Book of Maps of Assessments and Community Facilities Districts.

C. The Improvement Area Ordinance is hereby amended to repeal the authority of the District to levy special taxes within Improvement Area No. 19F of the District. The Improvement Area Ordinance shall otherwise remain unchanged. Nothing herein shall affect the authorization to levy special taxes within the other Improvement Areas of the District.

Section 4. Effective Date. This Ordinance shall become effective (30) days from and after its adoption.

Section 5. Severability. If any part of this Ordinance is held invalid for any reason, such decision shall not affect the validity of the remaining portion of this Ordinance, and this City Council hereby declares that it would have passed the remainder of this Ordinance if such invalid portion thereof had been deleted.

Section 6. Adoption. The City Clerk shall certify to the adoption of this Ordinance, publish a summary of this Ordinance and post a certified copy of the full Ordinance in the office of the City Clerk at least five (5) days prior to the adoption of the proposed Ordinance; and within fifteen (15) days after the adoption of the Ordinance, the City Clerk shall publish a summary of the Ordinance with the names of the council members voting for and against the Ordinance.

ADOPTED by the City Council, signed by the Mayor, and attested by the City Clerk on the 15th day of June, 2021.

Mike Lara, Mayor

ATTEST:

Stephen Mehlman, City Clerk

I, Stephen Mehlman, City Clerk of the City of Beaumont, California, do hereby certify under penalty of perjury that the foregoing ordinance was duly and regularly introduced at a meeting of the City Council on the 1st day of June, 2021 and that thereafter the said ordinance was duly and regularly adopted at a meeting of the City Council on the 15th day of June, 2021, by the following vote, to wit:

AYES:
NOES:
ABSENT:
ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Beaumont, California, this 15th day of June, 2021.

Stephen Mehlman, City Clerk