



**Board Administrative Committee
November 7, 2019**

SUBJECT:

Adopt a Proposed Resolution of the Board of Directors of Eastern Municipal Water District Approving a Joint Community Facilities Agreement as to Form with the City of Menifee Relating to City of Menifee Community Facilities District No. 2019-1 (Meadow Run)

BACKGROUND:

The City of Menifee has initiated proceedings to form Community Facilities District (CFD) No. 2019-1 (Meadow Run) pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982. The Resolution of Intention to form this CFD was approved on September 18, 2019, and the Resolution of Formation is scheduled for November 6, 2019. The property within the CFD is owned by Meritage Homes of California, Incorporated. City of Menifee CFD No. 2019-1 is located at the southeast corner of Holland Road and Bradley Road in the City of Menifee, as depicted on the attached Boundary Map (Exhibit C), and is planned for 65 single family homes.

EMWD has received a request from the property owner to enter into a Joint Community Facilities Agreement with the City of Menifee relating to City of Menifee CFD No. 2019-1 to finance EMWD facilities costs in lieu of fees and facility improvements. This CFD will comply with EMWD's land secured guidelines as they relate to overlapping debt. The overall effective tax rate within the CFD will not exceed two percent at the time of bond issuance. EMWD will own and operate the water and sewer improvements financed through this CFD. In addition, the City of Menifee agrees that they will not place EMWD's name on the property tax roll for any property tax bills within CFD No. 2019-1.

The Resolution (Exhibit A) approving the Joint Community Facilities Agreement (Exhibit B), as to form, will authorize the President of the Board, or General Manager, or Deputy General Manager, or Director of Finance of EMWD, and the Secretary of the Board of Directors of EMWD to execute and deliver the Joint Community Facilities Agreement.

FINANCIAL IMPACT:

None

STRATEGIC PLANNING GOAL/OBJECTIVE:

Financial Stability: Enhance and maintain EMWD's strong financial position and credit quality by identifying and implementing specific opportunities to improve underlying financial metrics.

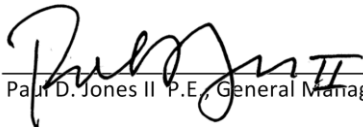
ENVIRONMENTAL IMPACT:

None

RECOMMENDATION:

Adopt the proposed Resolution approving a Joint Community Facilities Agreement as to form between the City of Menifee, Eastern Municipal Water District, and Meritage Homes of California, Incorporated, relating to City of Menifee Community Facilities District No. 2019-1 (Meadow Run).

SUBMITTED BY:



Paul D. Jones II, P.E., General Manager

10/24/2019



Laura Nomura, Deputy General Manager

10/23/2019

Attachment(s):

Exhibit A - Resolution Approving a Joint Community Facilities Agreement

Exhibit B - Joint Community Facilities Agreement

Exhibit C - Boundary Map

11/20/19 Board Meeting

Staff Contact: Thomas Hays