

CITY OF LAKE ELSINORE

Annual Continuing Disclosure Report



FISCAL YEAR 2018-19

COMMUNITY FACILITIES DISTRICT NO. 90-2 (TUSCANY HILLS)
SPECIAL TAX PARITY BONDS, 2007 SERIES A

DECEMBER 2019



SPICER CONSULTING
GROUP

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**City of Lake Elsinore
Community Facilities District No. 90-2
Special Tax Parity Bonds, 2007 Series A
(CUSIP 509634)**

<u>Maturity Date</u> <u>September 1</u>	<u>Principal</u>	<u>Interest Rate</u>	<u>CUSIP Suffix</u>
2024	\$7,340,000	4.500%	AR2

This Annual Continuing Disclosure Report (“Report”) for Community Facilities District No. 90-2 Special Tax Parity Bonds, 2007 Series A of the City of Lake Elsinore (the “District” or “CFD No. 90-2”), has been prepared by Spicer Consulting Group, LLC. using data as of June 30, 2019 unless noted otherwise. The information referenced by parenthesis complies with the various sections required from the Form of Continuing Disclosure Agreement for the Bonds. If you have any questions regarding the information provided in this report, please contact the City’s Special Tax Consultant, Spicer Consulting Group, LLC. at (866) 504-2067.

Community Facilities District No. 90-2
(Tuscany Hills Public Improvements)
Special Tax Parity Bonds, 2007 Series A

Project Description

The following is a general description of the major public improvements approved to be financed:

Grading: The grading for the public streets, public access roads and public building pads within and in the vicinity of the District.

Street Improvements: The street improvements consist of the curb, gutter, sidewalk, lawn, street lights, storm drain and utilities in the public streets within and in the vicinity of the District.

Domestic Water: The domestic water system consists of three reservoirs, booster pumping stations, pressure reducing stations and the distribution mains and appurtenances in the public streets within and in the vicinity of the District.

Sanitary Sewer: The sewer system consists of gravity sewer, manholes, lift stations, force mains and appurtenances in public streets and public easements within and in the vicinity of the District.

Location

The District is located within the Rancho Laguna Redevelopment Project Area No. II in the City of Lake Elsinore (the "City"). It is generally located adjacent to the northeastern limits of the City. Summerhill Drive serves as the main access from the southwest. The development is bounded on the north by Greenwald Street. Greenwald Street intersects with Highway 74, approximately two miles north of the site, providing access to the cities of Perris and Riverside.

2002 Series A Bonds

Local Agency Revenue Bonds 2002 Series A (the "2002 Series A") in the amount of \$14,470,000, with interest rates ranging from 2.000% to 3.875% were issued October 9, 2002, to finance the public facilities by the District. Interest is payable semi-annually on April 1 and October 1. The date for the final maturity of the Bonds is October 1, 2016. The Principal Amount of the Bonds Outstanding as of October 30, 2019 is \$0.00.

The Bonds have matured as of October 1, 2016.

2007 Series A Bonds (Section 4)

The Special Tax Parity Bonds, 2007 Series A (the "2007 Series A") in the amount of \$7,340,000 were issued March 22, 2007 by the Redevelopment Agency of the City of Lake Elsinore. Interest is payable semi-annually on April 1 and October 1. The date for the final maturity of the Bonds is October 1, 2024. The Principal Amount of the Bonds Outstanding as of September 30, 2019 is \$5,745,000.

There are no remaining unissued Bonds authorized for the District.

Rate and Method of Apportionment

There were no changes to the Rate and Method of Apportionment during Fiscal Year 2018-19.

Additional Bonds

No Additional Bonds or Local Obligation Parity Bonds have been issued by the Authority or by any of the Districts.

The following tables present certain assessed value and development status information of the District.

*Table 2-1
Fiscal Year 2019-20 Assessed Value¹ Breakdown by Development (Section 4)*

Development Status	Parcels	Total Special Tax FY 2019-20	% of Total Special Tax	Land Value	Structure Value	Total AV for FY 2019-20
Developed	813	\$1,577,233.80	100.00%	\$75,908,266.00	\$216,711,198.00	\$292,619,464.00
Matured	214	\$0.00	0.00%	\$17,357,502.00	\$49,701,761.00	\$67,059,263.00
All Others	16	\$0.00	0.00%	\$5,843,825.00	\$0.00	\$5,843,825.00
Total	1,043	\$1,577,233.80	100.00%	\$99,109,593.00	\$266,412,959.00	\$365,522,552.00

¹ Assessed Valuation (AV) is based on information provided in the Riverside County Assessor's records as of January 1, 2019 and may or may not accurately reflect true market value.

Delinquencies are calculated through October 2019 and may reflect parcels that may already be on a payment plan. The delinquency summary table below provides an overview of delinquency rates for previous years

*Table 3-1
Fiscal Year 2018-19 Special Tax Delinquency Table (Section 4)*

APN	FY 2014-15 Del. Amount	FY 2015-16 Del. Amount	FY 2016-17 Del. Amount	FY 2017-18 Del. Amount	FY 2018-19 Del. Amount	Total Delinquency	Date Foreclosure Complaint Filed	Results of Foreclosure Sale
349473014	\$919.81	\$1,842.14	\$1,809.88	\$1,808.02	\$1,809.86	\$8,189.71	N/A	N/A
349491009	\$0.00	\$0.00	\$0.00	\$0.00	\$1,072.95	\$1,072.95	N/A	N/A
349501021	\$0.00	\$0.00	\$0.00	\$0.00	\$1,072.95	\$1,072.95	N/A	N/A
363361005	\$0.00	\$0.00	\$0.00	\$2,115.86	\$0.00	\$2,115.86	N/A	N/A
363361016	\$0.00	\$0.00	\$0.00	\$0.00	\$1,059.01	\$1,059.01	N/A	N/A
363361032	\$2,152.84	\$2,155.80	\$2,118.02	\$2,115.86	\$2,118.02	\$10,660.54	N/A	N/A
363361041	\$0.00	\$0.00	\$0.00	\$0.00	\$903.53	\$903.53	N/A	N/A
363361072	\$0.00	\$0.00	\$0.00	\$0.00	\$1,056.41	\$1,056.41	N/A	N/A
363363017	\$0.00	\$0.00	\$0.00	\$0.00	\$2,034.36	\$2,034.36	N/A	N/A
363364001	\$0.00	\$2,179.84	\$2,141.66	\$0.00	\$2,141.64	\$6,463.14	N/A	N/A
363365054	\$0.00	\$0.00	\$0.00	\$0.00	\$1,105.56	\$1,105.56	N/A	N/A
363381047	\$0.00	\$0.00	\$0.00	\$0.00	\$923.61	\$923.61	N/A	N/A
363381052	\$0.00	\$0.00	\$0.00	\$0.00	\$1,847.22	\$1,847.22	N/A	N/A
363383012	\$0.00	\$2,059.12	\$0.00	\$0.00	\$0.00	\$2,059.12	N/A	N/A
363443006	\$0.00	\$0.00	\$999.47	\$0.00	\$999.46	\$1,998.93	N/A	N/A
Total	\$3,072.65	\$8,236.90	\$7,069.03	\$6,039.74	\$18,144.58	\$42,562.90	N/A	N/A

Foreclosure Covenant

The District covenants with and for the benefit of the Bond Owners that it will commence appropriate judicial foreclosure proceedings against parcels with unpaid Special Tax delinquencies within 150 days of the date they are due.

There are no foreclosure actions pending at this time.

Financial Statements (Section 4)

PLEASE NOTE: The City of Lake Elsinore Fiscal Year ended June 30, 2019 Comprehensive Annual Financial Report (CAFR) is submitted to the Municipal Securities Rulemaking Board using EMMA (Electronic Municipal Market Access) under separate cover and is incorporated herein by reference.

2007 Series A Reserve Account (Section 4)

The Reserve Fund must be maintained at the Reserve Requirement which is defined as of any date of calculation as an amount equal to the least of (a) 10% of the total original principal amount of the Bonds, (b) Maximum Annual Debt Service on the Outstanding Bonds, or (c) 125% of average Annual Debt Service on the Outstanding Bonds. **The Reserve Requirement for the 2007 Series A will be satisfied at closing by a Debt Service Reserve Insurance Policy issued by Financial Security Assurance Inc.**

The following events as set forth in Rule 15c2-12 promulgated by the Securities and Exchange Commission are considered material by the District. *(Section 5)*

- | | |
|---|----------------|
| 1. Principal and interest payment delinquencies; | Not Applicable |
| 2. non-payment related defaults; | Not Applicable |
| 3. modifications to rights of the Bondholders, | Not Applicable |
| 4. optional, contingent or unscheduled Bond calls, | Not Applicable |
| 5. defeasances; | Not Applicable |
| 6. rating changes; | Not Applicable |
| 7. adverse tax opinions or events adversely affecting the tax-exempt status of the Bonds; | Not Applicable |
| 8. unscheduled draws on the debt service reserves reflecting financial difficulties; | Not Applicable |
| 9. unscheduled draws on the credit enhancements reflecting financial difficulties; | Not Applicable |
| 10. substitution of credit or liquidity providers, or their failure to perform; and | Not Applicable |
| 11. release, substitution or sale of property securing repayment of the Bonds, | Not Applicable |

Notice for events described in Section 5(a), subsections 4 and 5 of the Disclosure Certificate need not be given under this sub-section any earlier than the notice (if any) of the underlying event given to holders of affected Bonds pursuant to the Fiscal Agent Agreement.

APPENDIX A

Debt Service Schedule



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CITY OF LAKE ELSINORE
CFD 90-2 (TUSCANY HILLS)
Special Tax Parity Bonds, 2007 Series A



Issued

03/22/2007

<i>Date</i>	<i>Coupon Rate</i>	<i>Principal</i>	<i>Principal Outstanding</i>	<i>Semi-Annual Interest</i>	<i>Semi-Annual Debt Service</i>	<i>Annual Debt Service</i>
10/01/2007	0.000%	\$ 0.00	\$ 7,340,000.00	\$ 173,407.50	\$ 173,407.50	\$ 173,407.50
04/01/2008			\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	
10/01/2008	0.000%	\$ 0.00	\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	\$ 330,300.00
04/01/2009			\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	
10/01/2009	0.000%	\$ 0.00	\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	\$ 330,300.00
04/01/2010			\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	
10/01/2010	0.000%	\$ 0.00	\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	\$ 330,300.00
04/01/2011			\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	
10/01/2011	0.000%	\$ 0.00	\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	\$ 330,300.00
04/01/2012			\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	
10/01/2012	0.000%	\$ 0.00	\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	\$ 330,300.00
04/01/2013			\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	
10/01/2013	0.000%	\$ 0.00	\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	\$ 330,300.00
04/01/2014			\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	
10/01/2014	0.000%	\$ 0.00	\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	\$ 330,300.00
04/01/2015			\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	
10/01/2015	0.000%	\$ 0.00	\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	\$ 330,300.00
04/01/2016			\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	
10/01/2016	0.000%	\$ 0.00	\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	\$ 330,300.00
04/01/2017			\$ 7,340,000.00	\$ 165,150.00	\$ 165,150.00	
10/01/2017	4.500%	\$ 780,000.00	\$ 6,560,000.00	\$ 165,150.00	\$ 945,150.00	\$ 1,110,300.00
04/01/2018			\$ 6,560,000.00	\$ 147,600.00	\$ 147,600.00	
10/01/2018	4.500%	\$ 815,000.00	\$ 5,745,000.00	\$ 147,600.00	\$ 962,600.00	\$ 1,110,200.00
04/01/2019			\$ 5,745,000.00	\$ 129,262.50	\$ 129,262.50	
10/01/2019	4.500%	\$ 855,000.00	\$ 4,890,000.00	\$ 129,262.50	\$ 984,262.50	\$ 1,113,525.00
04/01/2020			\$ 4,890,000.00	\$ 110,025.00	\$ 110,025.00	
10/01/2020	4.500%	\$ 895,000.00	\$ 3,995,000.00	\$ 110,025.00	\$ 1,005,025.00	\$ 1,115,050.00
04/01/2021			\$ 3,995,000.00	\$ 89,887.50	\$ 89,887.50	
10/01/2021	4.500%	\$ 935,000.00	\$ 3,060,000.00	\$ 89,887.50	\$ 1,024,887.50	\$ 1,114,775.00
04/01/2022			\$ 3,060,000.00	\$ 68,850.00	\$ 68,850.00	
10/01/2022	4.500%	\$ 975,000.00	\$ 2,085,000.00	\$ 68,850.00	\$ 1,043,850.00	\$ 1,112,700.00
04/01/2023			\$ 2,085,000.00	\$ 46,912.50	\$ 46,912.50	
10/01/2023	4.500%	\$ 1,020,000.00	\$ 1,065,000.00	\$ 46,912.50	\$ 1,066,912.50	\$ 1,113,825.00
04/01/2024			\$ 1,065,000.00	\$ 23,962.50	\$ 23,962.50	
10/01/2024	4.500%	\$ 1,065,000.00	\$ 0.00	\$ 23,962.50	\$ 1,088,962.50	\$ 1,112,925.00
Total		\$ 7,340,000.00		\$ 4,709,407.50	\$ 12,049,407.50	\$ 12,049,407.50

APPENDIX B

California Debt and Investment Advisory Commission



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STATE OF CALIFORNIA
MELLO-ROOS COMMUNITY FACILITIES DISTRICT (CFD)
YEARLY FISCAL STATUS REPORT
 California Debt and Investment Advisory Commission
 915 Capitol Mall, Room 400, Sacramento, CA 95814
 P.O. Box 942809, Sacramento, CA 94209-0001
 (916) 653-3269 FAX (916) 654-7440

Internet Submission - <i>CURRENT</i>
CDIAC #: <u>2007-0183</u>
Fiscal Year: 2018-2019

I. GENERAL INFORMATION

A. Issuer Lake Elsinore Redevelopment Agency CFD No 90-2

B. Project Name: Tuscany Hills

C. Name/Title/ Series of Bond Issue Special Tax Parity Bonds 2007 Series A

D. Date of Bond Issue 03-08-2007

E. Original Principal Amount of Bonds \$ 7,340,000.00

F. Reserve Fund Minimum Balance Required \$ 734,000.00

II. FUND BALANCE FISCAL STATUS

Balances Reported as of: June 30, 2019

A. Principal Amount of Bonds Outstanding \$ 5,745,000.00

B. Bond Reserve Fund \$ 734,000.00

C. Capitalized Interest Fund \$ 0.00

D. Construction Fund(s) \$ 0.00

III. ASSESSED VALUE OF ALL PARCELS IN CFD SUBJECT TO SPECIAL TAX

A. Assessed Value Reported as of: 01-01-2019 (Check One)

From Equalized Tax Roll

From Appraisal of Property
(Use only in first year or before annual tax roll billing commences)

B. Total Assessed Value of All Parcels \$ 292,619,464.00

IV. TAX COLLECTION INFORMATION

A. Total Amount of Special Taxes Due \$ 1,656,504.16

B. Total Amount of Unpaid Special Taxes \$ 18,144.58

C. Does this agency participate in the County's Teeter Plan Yes No

V. DELINQUENT REPORTING INFORMATION

Delinquent Parcel Information Reported as of the Equalized Tax Roll of: 10-21-2019

A. Total Number of Delinquent Parcels: 15

B. Total Amount of Taxes due on Delinquent Parcels: \$ 44,669.08

VI. FORECLOSURE INFORMATION FOR FISCAL YEAR

(Aggregate totals, if foreclosure commenced on same date)

Date Foreclosure Commenced	Total Number of Foreclosure Parcels	Total Number of Tax Due on Foreclosure Parcels

**STATE OF CALIFORNIA
MELLO-ROOS COMMUNITY FACILITIES DISTRICT (CFD)
YEARLY FISCAL STATUS REPORT**

(Continued)

VII. ISSUE RETIRED

This issue is retired and no longer subject to the Yearly Fiscal Status filing requirements. *(Indicate reason for retirement.)*

Reason for Retirement Not Retired
Final Maturity Date/Issue Date _____
Redeemed Bond Title/Other _____

VIII. NAME OF PARTY COMPLETING THIS FORM

Name Melissa Bellitire
Title Managing Director
Firm/Agency Spicer Consulting Group LLC
Address 41619 Margarita Road, Suite 101
City/State/Zip Temecula, CA 92591
Phone No. (866) 504-2067 Date of Report: 10-28-2019
Email contact@spicercg.com

IX. COMMENTS

Bond Reserve Fund held at Authority level.

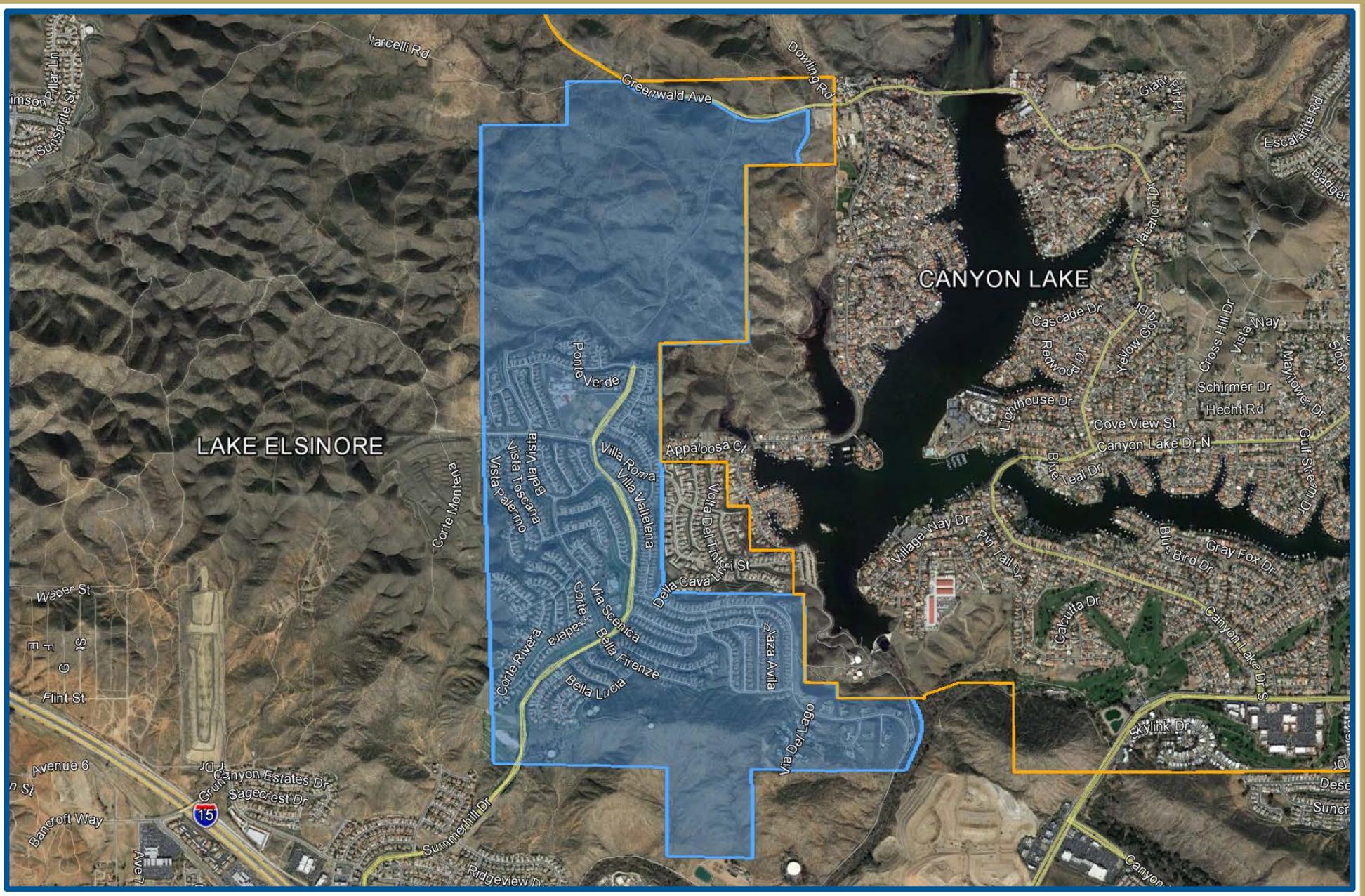
Completion and submittal of this form to the California Debt and Investment Advisory Commission will assure your compliance with California State law. Section 53359.5 of the California Government Code requires that all agencies issuing Mello-Roos Community Facilities bonds after January 1, 1993 to report specific information to the Commission by October 30th of each year.

APPENDIX C

Boundary Map



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BOUNDARY MAP

**COMMUNITY FACILITIES DISTRICT NO. 90-2
(TUSCANY HILLS PUBLIC IMPROVEMENTS)**



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