

CITY OF LAKE ELSINORE

Annual Report



FISCAL YEAR 2021-22
COMMUNITY FACILITIES DISTRICT NO. 2019-1
(WESTLAKE)



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**Community Facilities District No. 2019-1
(Westlake)
Special Tax Bonds, Series 2021**

1. Bond Profile

Project Description

Community Facilities District No. 2019-1 (the “CFD No. 2019-1” or the “District”) was formed for the purpose of financing the construction, purchase, modification, expansion, rehabilitation and/or improvement of (i) drainage, library, park, roadway, traffic, administration and community center facilities, marina and animal shelter facilities, and other public facilities of the City of Lake Elsinore (the “City”), including the foregoing public facilities which are included in the City’s fee programs with respect to such facilities and authorized to be financed under the Mello-Roos Community Facilities Act of 1982, as amended (the “City Facilities”) and (ii) water and sewer facilities including the acquisition of capacity in the sewer system and/or water system of the Elsinore Valley Municipal Water District which are included in Elsinore Valley Municipal Water District’s water and sewer capacity and connection fee programs (the “Water District Facilities” and together, with the City Facilities, the “Facilities”), and all appurtenances and appurtenant work in connection with the foregoing Facilities, including the cost of engineering, planning, designing, materials testing, coordination, construction staking, construction management and supervision for such Facilities, and to finance the incidental expenses to be incurred, including:

- a) The cost of engineering, planning and designing the Facilities; and
- b) All costs, including costs of the property owner petitioning to form the District, associated with the creation of the District, the issuance of the bonds, the determination of the amount of special taxes to be levied and costs otherwise incurred in order to carry out the authorized purposes of the District; and
- c) Any other expenses incidental to the construction, acquisition, modification, rehabilitation, completion and inspection of the Facilities.

Location

CFD No. 2019-1 comprises approximately 19.47 gross acres. A tentative Tract Map 33267 includes 163 proposed detached condominium residential properties. The properties are located north of the intersection of Riverside Drive and Grand Avenue.

Bond Profile and Principal Amount of Bonds Outstanding

The Community Facility District No. 2019-1 Special Tax Bonds, Series 2021 (the “CFD No. 2019-1 Bonds”) in the amount of \$6,610,000 were issued on May 6, 2021, with interest rates ranging from 3.000% to 4.000%. Interest is payable semi-annually on March 1 and September 1. The date for the final maturity of the CFD No. 2019-1 Bonds is September 1, 2051. As of September 30, 2021, the Principal Amount of the CFD No. 2019-1 Bonds Outstanding was \$6,610,000.

2. Fund Information

The Fund Balances for CFD No. 2019-1 as of September 30, 2021 are shown in the following table:

*Table 2-1
Fund Balances*

Account	Balance
LE CFD 2019-1 WESTLAKE 2021 INT AC	\$235,175.28
LE CFD 2019-1 WESTLAKE 2021 RESERVE	\$504,177.11
Total	\$739,352.39

Reserve Requirement

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 lesser of (i) 10% of the initial principle amount of the CFD No. 2019-1 Bonds and Parity Bonds, if any; (ii) Maximum Annual Debt Service on the then Outstanding CFD No. 2019-1 Bonds and Parity Bonds, if any; (iii) 125% of average Annual Debt Service on the then Outstanding CFD No. 2019-1 Bonds and Parity Bonds, and (iv) \$504,177.11 the initial Reserve Requirement. **As of September 30, 2021, the balance in the Reserve Fund was \$504,177.11 and the Reserve Requirement was \$504,177.11.**

3. Special Tax Information

Special Tax

A Special Tax is collected each year to pay the principal and interest obligations on the CFD No. 2019-1 Bonds. The amount collected each year is determined by the Special Tax formula and can vary from year to year, but shall not exceed the maximum authorized (or permitted) Special Tax rates. The amount levied for Fiscal Year 2021-22 tax year is \$328,699.12. The Assigned Special Tax rates for Fiscal Year 2021-22 are as follows:

On each July 1, commencing July 1, 2021, the Assigned/Maximum Special Tax rate for Facilities for Developed Property and Approved Property shall be increased by two percent (2.00%) of the amount in effect in the prior Fiscal Year.

Table 3-1

Assigned/Maximum Special Tax Rates

Land Use Category	Assigned Special Tax	Maximum Special Tax
Single Family Residential (Less than 1,900 sq. ft.)	\$2,184.84	\$2,630.28
Single Family Residential (1,900 - 2,100 sq. ft.)	\$2,300.10	\$2,630.28
Single Family Residential (Greater than 2,100 sq. ft.)	\$2,378.64	\$2,630.28
Multi-Family Residential (per Acre)	\$35,627.58	\$35,627.58
Non-Residential (per Acre)	\$35,627.58	\$35,627.58
Approved Property (per Unit)	N/A	\$2,630.28

Table 3-2

Special Tax Breakdown

Category	Parcels	Levied Amount	Assigned Special Tax	Maximum Special Tax	% of Maximum Special Tax
Developed Property	146	\$323,233.28	\$323,234.01	\$370,283.90	87.29%
Approved Property	17	\$5,465.84	N/A	\$44,714.76	12.22%
Total	163	\$328,699.12	\$323,234.01	\$414,998.66	79.20%

4. Payment History

Delinquencies are calculated through July 2021 and may reflect parcels that may already be on a payment plan.

Delinquency Rate for Fiscal Year 2020-21

As of July 2021, there were no delinquencies in the payment of the Special Tax for CFD No. 2019-1 for Fiscal Year 2020-21.

Foreclosure Covenant

The District covenants with and for the benefit of the Owners of the Bonds and any Parity Bonds that it will: (i) commence judicial foreclosure proceedings against parcels with delinquent Special Taxes in excess of \$5,000 by the October 1 following the close of each Fiscal Year in which such Special Taxes are due; and (ii) commence judicial foreclosure proceedings against all parcels with delinquent Special Taxes by the October 1 following the close of each Fiscal Year in which it receives Special Taxes in an amount which is less than 95% of the total Special Taxes levied; (iii) diligently pursue such foreclosure proceedings until the delinquent Special Taxes are paid; provided that, notwithstanding the foregoing, the District may elect to defer foreclosure proceedings on any parcel so long as the amount in the Reserve Account is at least equal to the Reserve Requirement. The District may, but not obligated to, advance funds from any source of legally available funds in order to maintain the Reserve Account. The District may treat any delinquent Special Tax sold to an independent third-party or to the City for at least 100% of the delinquent amount as having been paid. Proceeds of any such sale up to 100% of the delinquent amount will be deposited in the Special Tax Fund.

There are no foreclosure actions at this time.

APPENDIX A

Boundary Map





BOUNDARY MAP
COMMUNITY FACILITIES DISTRICT NO. 2019-1
(WESTLAKE)

APPENDIX B

Debt Service Schedule



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CITY OF LAKE ELSINORE
CFD 2019-1 (WESTLAKE)
Special Tax Bonds, Series 2021



Issued

05/08/2021

Date	Coupon Rate	Principal	Principal Outstanding	Semi-Annual Interest	Semi-Annual Debt Service	Annual Debt Service
09/01/2021			\$ 6,610,000.00	\$ 84,045.83	\$ 84,045.83	\$ 84,045.83
03/01/2022			\$ 6,610,000.00	\$ 131,550.00	\$ 131,550.00	
09/01/2022	3.000%	\$ 35,000.00	\$ 6,575,000.00	\$ 131,550.00	\$ 166,550.00	\$ 298,100.00
03/01/2023			\$ 6,575,000.00	\$ 131,025.00	\$ 131,025.00	
09/01/2023	3.000%	\$ 45,000.00	\$ 6,530,000.00	\$ 131,025.00	\$ 176,025.00	\$ 307,050.00
03/01/2024			\$ 6,530,000.00	\$ 130,350.00	\$ 130,350.00	
09/01/2024	3.000%	\$ 50,000.00	\$ 6,480,000.00	\$ 130,350.00	\$ 180,350.00	\$ 310,700.00
03/01/2025			\$ 6,480,000.00	\$ 129,600.00	\$ 129,600.00	
09/01/2025	4.000%	\$ 60,000.00	\$ 6,420,000.00	\$ 129,600.00	\$ 189,600.00	\$ 319,200.00
03/01/2026			\$ 6,420,000.00	\$ 128,400.00	\$ 128,400.00	
09/01/2026	4.000%	\$ 65,000.00	\$ 6,355,000.00	\$ 128,400.00	\$ 193,400.00	\$ 321,800.00
03/01/2027			\$ 6,355,000.00	\$ 127,100.00	\$ 127,100.00	
09/01/2027	4.000%	\$ 75,000.00	\$ 6,280,000.00	\$ 127,100.00	\$ 202,100.00	\$ 329,200.00
03/01/2028			\$ 6,280,000.00	\$ 125,600.00	\$ 125,600.00	
09/01/2028	4.000%	\$ 85,000.00	\$ 6,195,000.00	\$ 125,600.00	\$ 210,600.00	\$ 336,200.00
03/01/2029			\$ 6,195,000.00	\$ 123,900.00	\$ 123,900.00	
09/01/2029	4.000%	\$ 95,000.00	\$ 6,100,000.00	\$ 123,900.00	\$ 218,900.00	\$ 342,800.00
03/01/2030			\$ 6,100,000.00	\$ 122,000.00	\$ 122,000.00	
09/01/2030	4.000%	\$ 105,000.00	\$ 5,995,000.00	\$ 122,000.00	\$ 227,000.00	\$ 349,000.00
03/01/2031			\$ 5,995,000.00	\$ 119,900.00	\$ 119,900.00	
09/01/2031	4.000%	\$ 120,000.00	\$ 5,875,000.00	\$ 119,900.00	\$ 239,900.00	\$ 359,800.00
03/01/2032			\$ 5,875,000.00	\$ 117,500.00	\$ 117,500.00	
09/01/2032	4.000%	\$ 130,000.00	\$ 5,745,000.00	\$ 117,500.00	\$ 247,500.00	\$ 365,000.00
03/01/2033			\$ 5,745,000.00	\$ 114,900.00	\$ 114,900.00	
09/01/2033	4.000%	\$ 140,000.00	\$ 5,605,000.00	\$ 114,900.00	\$ 254,900.00	\$ 369,800.00
03/01/2034			\$ 5,605,000.00	\$ 112,100.00	\$ 112,100.00	
09/01/2034	4.000%	\$ 155,000.00	\$ 5,450,000.00	\$ 112,100.00	\$ 267,100.00	\$ 379,200.00
03/01/2035			\$ 5,450,000.00	\$ 109,000.00	\$ 109,000.00	
09/01/2035	4.000%	\$ 170,000.00	\$ 5,280,000.00	\$ 109,000.00	\$ 279,000.00	\$ 388,000.00
03/01/2036			\$ 5,280,000.00	\$ 105,600.00	\$ 105,600.00	
09/01/2036	4.000%	\$ 185,000.00	\$ 5,095,000.00	\$ 105,600.00	\$ 290,600.00	\$ 396,200.00
03/01/2037			\$ 5,095,000.00	\$ 101,900.00	\$ 101,900.00	
09/01/2037	4.000%	\$ 200,000.00	\$ 4,895,000.00	\$ 101,900.00	\$ 301,900.00	\$ 403,800.00
03/01/2038			\$ 4,895,000.00	\$ 97,900.00	\$ 97,900.00	
09/01/2038	4.000%	\$ 215,000.00	\$ 4,680,000.00	\$ 97,900.00	\$ 312,900.00	\$ 410,800.00
03/01/2039			\$ 4,680,000.00	\$ 93,600.00	\$ 93,600.00	
09/01/2039	4.000%	\$ 230,000.00	\$ 4,450,000.00	\$ 93,600.00	\$ 323,600.00	\$ 417,200.00
03/01/2040			\$ 4,450,000.00	\$ 89,000.00	\$ 89,000.00	
09/01/2040	4.000%	\$ 250,000.00	\$ 4,200,000.00	\$ 89,000.00	\$ 339,000.00	\$ 428,000.00

CITY OF LAKE ELSINORE
CFD 2019-1 (WESTLAKE)
Special Tax Bonds, Series 2021



Issued

05/08/2021

<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>
03/01/2041			\$ 4,200,000.00	\$ 84,000.00	\$ 84,000.00	
09/01/2041	4.000%	\$ 270,000.00	\$ 3,930,000.00	\$ 84,000.00	\$ 354,000.00	\$ 438,000.00
03/01/2042			\$ 3,930,000.00	\$ 78,600.00	\$ 78,600.00	
09/01/2042	4.000%	\$ 290,000.00	\$ 3,640,000.00	\$ 78,600.00	\$ 368,600.00	\$ 447,200.00
03/01/2043			\$ 3,640,000.00	\$ 72,800.00	\$ 72,800.00	
09/01/2043	4.000%	\$ 310,000.00	\$ 3,330,000.00	\$ 72,800.00	\$ 382,800.00	\$ 455,600.00
03/01/2044			\$ 3,330,000.00	\$ 66,600.00	\$ 66,600.00	
09/01/2044	4.000%	\$ 330,000.00	\$ 3,000,000.00	\$ 66,600.00	\$ 396,600.00	\$ 463,200.00
03/01/2045			\$ 3,000,000.00	\$ 60,000.00	\$ 60,000.00	
09/01/2045	4.000%	\$ 355,000.00	\$ 2,645,000.00	\$ 60,000.00	\$ 415,000.00	\$ 475,000.00
03/01/2046			\$ 2,645,000.00	\$ 52,900.00	\$ 52,900.00	
09/01/2046	4.000%	\$ 375,000.00	\$ 2,270,000.00	\$ 52,900.00	\$ 427,900.00	\$ 480,800.00
03/01/2047			\$ 2,270,000.00	\$ 45,400.00	\$ 45,400.00	
09/01/2047	4.000%	\$ 400,000.00	\$ 1,870,000.00	\$ 45,400.00	\$ 445,400.00	\$ 490,800.00
03/01/2048			\$ 1,870,000.00	\$ 37,400.00	\$ 37,400.00	
09/01/2048	4.000%	\$ 425,000.00	\$ 1,445,000.00	\$ 37,400.00	\$ 462,400.00	\$ 499,800.00
03/01/2049			\$ 1,445,000.00	\$ 28,900.00	\$ 28,900.00	
09/01/2049	4.000%	\$ 455,000.00	\$ 990,000.00	\$ 28,900.00	\$ 483,900.00	\$ 512,800.00
03/01/2050			\$ 990,000.00	\$ 19,800.00	\$ 19,800.00	
09/01/2050	4.000%	\$ 480,000.00	\$ 510,000.00	\$ 19,800.00	\$ 499,800.00	\$ 519,600.00
03/01/2051			\$ 510,000.00	\$ 10,200.00	\$ 10,200.00	
09/01/2051	4.000%	\$ 510,000.00	\$ 0.00	\$ 10,200.00	\$ 520,200.00	\$ 530,400.00
Total		\$ 6,610,000.00		\$ 5,619,095.83	\$ 12,229,095.83	\$ 12,229,095.83



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