



## Legislation Details (With Text)

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**File created:** 6/23/2021      **In control:** City Council  
**On agenda:** 7/7/2021      **Final action:** 7/7/2021

**Title:** Resolutions levying special taxes to be collected during Fiscal Year 2022 for several bonded Community Facilities Districts.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Staff Report, 2. Exhibit 1 - Boundary Map for Resolution No 2021-066, 3. Exhibit 2 - Resolution No 2021-066, 4. Exhibit 3 - Boundary Map for Resolution No 2021-067, 5. Exhibit 4 - Resolution No 2021-067, 6. Exhibit 5 - Boundary Map for Resolution No 2021-068, 7. Exhibit 6 - Resolution No 2021-068, 8. Exhibit 7 - Boundary Map for Resolution No 2021-069, 9. Exhibit 8 - Resolution No 2021-069, 10. Exhibit 9 - Boundary Map for Resolution No 2021-070, 11. Exhibit 10 - Resolution No 2021-070, 12. Exhibit 11 - Boundary Map for Resolution No 2021-071, 13. Exhibit 12 - Resolution No 2021-071, 14. Exhibit 13 - Boundary Map for Resolution No 2021-072, 15. Exhibit 14 - Resolution No 2021-072, 16. Exhibit 15 - Boundary Map for Resolution No 2021-073, 17. Exhibit 16 - Resolution No 2021-073, 18. Exhibit 17 - Boundary Map for Resolution No 2021-074, 19. Exhibit 18 - Resolution No 2021-074, 20. Exhibit 19 - Boundary Map for Resolution No 2021-075, 21. Exhibit 20 - Resolution No 2021-075, 22. Exhibit 21 - Boundary Map for Resolution No 2021-076, 23. Exhibit 22 - Resolution No 2021-076, 24. Exhibit 23 - Boundary Map for Resolution No 2021-077, 25. Exhibit 24 - Resolution No 2021-077

Date	Ver.	Action By	Action	Result
7/7/2021	1	City Council	approved	Pass

## REQUEST FOR CITY COUNCIL ACTION

**DATE:** 07/07/2021

**TO:** Honorable Mayor and City Council Members

**FROM:** Finance Department

**SUBJECT:**  
Resolutions levying special taxes to be collected during Fiscal Year 2022 for several bonded Community Facilities Districts.

### EXECUTIVE SUMMARY:

Adoption of the recommended resolutions will allow the City to levy and collect Fiscal Year 2022 special taxes.

### RECOMMENDED ACTION:

**That the City Council:**

- a. Adopt Resolution No. 2021-066, levying special taxes to be collected during Fiscal Year 2022 for the payment of the principal and interest on the outstanding bond of Community Facilities District No. 2000-1 (Eagle Glen II), 2020 Special Tax Refunding Bond, and the administrative expenses with respect to the bond.
- b. Adopt Resolution No. 2021-067, levying special taxes to be collected during Fiscal Year 2022 for the payment of the principal and interest on the outstanding bond of Community Facilities District No. 2001-2 (Cresta-Grande), 2020 Special Tax Refunding Bond (Improvement Area No. 1), and the administrative expenses with respect to the bond.
- c. Adopt Resolution No. 2021-068, levying special taxes to be collected during Fiscal Year 2022 for the payment of the principal and interest on the outstanding bond of Community Facilities District No. 2001-2 (Cresta-Grande), 2020 Special Tax Refunding Bond (Improvement Area No. 2), and the administrative expenses with respect to the bond.
- d. Adopt Resolution No. 2021-069, levying special taxes to be collected during Fiscal Year 2022 for the payment of the principal and interest on the outstanding bonds of Community Facilities District No. 2002-1 (Dos Lagos), 2017 Special Tax Refunding Bonds, and the administrative expenses with respect to the bonds.
- e. Adopt Resolution No. 2021-070, levying special taxes to be collected during Fiscal Year 2022 for the payment of the principal and interest on the outstanding bonds of Community Facilities District No. 2002-1 (Dos Lagos), Improvement Area 1, 2017 Special Tax Refunding Bonds, and the administrative expenses with respect to the bonds.
- f. Adopt Resolution No. 2021-071, levying special taxes to be collected during Fiscal Year 2022 for the payment of the principal and interest on the outstanding bonds of Community Facilities District No. 2002-4 (Corona Crossings), 2017 Special Tax Refunding Bonds, and the administrative expenses with respect to the bonds.
- g. Adopt Resolution No. 2021-072, levying special taxes to be collected during Fiscal Year 2022 for the payment of the principal and interest on the outstanding bond of Community Facilities District No. 2003-2 (Highlands Collection) 2020 Special Tax Refunding Bond, and the administrative expenses with respect to the bond.
- h. Adopt Resolution No. 2021-073, levying special taxes to be collected during Fiscal Year 2022 for the payment of the principal and interest on the outstanding bond of Community Facilities District No. 2004-1 (Buchanan Street) 2020 Special Tax Refunding Bond, and the administrative expenses with respect to the bond.
- i. Adopt Resolution No. 2021-074, levying special taxes to be collected during Fiscal Year 2022 for the payment of the principal and interest on the outstanding bonds of Community Facilities

District No. 2016-2 (Terrassa), 2018 Special Tax Bonds, Special Tax A, and the administrative expenses with respect to the bonds.

- j. Adopt Resolution No. 2021-075, levying special taxes to be collected during Fiscal Year 2022 for the payment of the principal and interest on the outstanding bonds of Community Facilities District No. 2017-2 (Valencia/Seville), 2018 Special Tax Bonds, Special Tax A, and the administrative expenses with respect to the bonds.
- k. Adopt Resolution No. 2021-076, levying special taxes to be collected during Fiscal Year 2022 for the payment of the principal and interest on the outstanding bonds of Community Facilities District No. 2018-1 (Bedford) Improvement Area No 1, 2018 Special Tax Bonds and 2020 Special Tax Bonds, Special Tax A, and the administrative expenses with respect to the bonds.
- l. Adopt Resolution No. 2021-077, levying special taxes to be collected during Fiscal Year 2022 for the payment of administrative expenses incurred in connection with the levy and collection of special taxes, the establishment of the reserve fund, and the collection and accumulation of funds for the acquisition or construction of certain public facilities within Community Facilities District No. 2018-2 (Sierra Bella), Special Tax A.

#### **BACKGROUND & HISTORY:**

Pursuant to the Mello-Roos Community Facilities Act of 1982, the Community Facilities Districts (the "Districts") listed under the Recommended Action section were formed to finance the construction and acquisition of public improvements and facilities within the Districts.

#### **ANALYSIS:**

The City has covenanted for the benefit of the owners of the bonds to fix and levy the amount of special taxes within the Districts required for the payment of the principal and interest on the bonds becoming due and payable during the ensuing year. Any necessary replenishment or expenditure of the Reserve Funds and any amount estimated to be sufficient to pay administrative expenses during the year are also included in the levy. The special taxes levied will not exceed the authorized amounts as provided in the Rate and Method of Apportionments (the "RMA") for the Districts.

A summary of the special tax levy for the Districts is shown below:

CFD No.	Resolution No.	Final Bond Year	No. of Parcel	FY 2022 Lev	% of Assigned Tax	YOY % Change in Levy Rate
CFD No. 2000-1	2021-066	2031	359	\$ 423,772	61.56%	-3.87%
CFD No. 2001-2 IA1	2021-067	2032	72	\$ 154,766	66.38%	0.00%
CFD No. 2001-2 IA2	2021-068	2032	41	\$ 76,150	69.58%	-2.61%
CFD No. 2002-1	2021-069	2034	470	\$ 1,175,145	45.12%	0.01%
CFD No. 2002-1 IA1	2021-070	2037	10	\$ 535,061	65.07%	-0.19%
CFD No. 2002-4	2021-071	2034	26	\$ 598,325	78.19%	-1.07%
CFD No. 2003-2	2021-072	2034	317	\$ 449,540	42.09%	-2.09%
CFD No. 2004-1	2021-073	2036	64	\$ 202,455	66.65%	0.44%
CFD No. 2016-2 Tax A	2021-074	2048	146	\$ 357,222	92.54%	-0.70%
CFD No. 2017-2 Tax A	2021-075	2048	92	\$ 276,850	100.00%	0.00%
CFD No. 2018-1 IA1 Tax	2021-076	2048	353	\$ 1,099,450	100.00%	2.00%
CFD No. 2018-2 Tax A	2021-077	N/A	101	\$ 504,896	100.00%	0.00%

As shown in "YOY % Change in Levy Rate" column, the proposed levy rates in Fiscal Year 2022 for the Districts either decrease or are the same as Fiscal Year 2021, except CFD No. 2018-1 IA 1 will have a 2% increase as defined in the bond covenant.

The Assigned Tax rates in the RMA, which were set at the District's formation, are the maximum allowable assessment rates for each property category in the Districts. Each District's number represents the year and order it was established. Through the years, the City has been able to find refinancing opportunities for almost all of the Districts, which has allowed for the tax rates to be reduced and the savings passed on to the property owners. Therefore, most of these Districts are being levied at much less than 100% of the Assigned Tax Rates. The newer Districts will continue to be levied at the full Assigned Tax rate until they are fully developed and there are sufficient reserves available to cover any potential delinquencies.

#### **FINANCIAL IMPACT:**

The special tax revenues and related debt service and administration expenditures are included in the Districts' Fiscal Year 2022 budgets. Expenditures in FY 2022 are being recovered in full.

#### **ENVIRONMENTAL ANALYSIS:**

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the action is not subject to CEQA. This action merely sets the special taxes to be levied and collected within the Districts for Fiscal Year 2022, and there is no possibility that adopting the resolution will have a significant effect on the environment. Therefore, no environmental analysis is required.

**PREPARED BY:** LIEN-CHI CANTUBA, FINANCIAL ANALYST III

**REVIEWED BY:** KIM SITTON, FINANCE DIRECTOR

**Attachments:**

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