



Staff Report

TO: City Council
FROM: Jeff Mohlenkamp, Finance Director
DATE: July 21, 2020
SUBJECT: **Annual Resolution Directing the Riverside County Auditor-Controller to Place the Levy of Special Taxes for the City's Community Facilities Districts on the Fiscal Year 2020-2021 County Tax Roll**

Background and Analysis:

Beaumont is required to direct the Riverside County Auditor-Controller to place its levy of special taxes for the Community Facilities Districts (CFDs) on the County tax roll. For FY2020-21 this must occur prior to August 10, 2020. The resolutions before Council are required to complete the annual enrollment and collection of the City's Community Facilities District ("CFD") special taxes needed to meet all financial and contractual obligations.

Staff has prepared the Fiscal Year 2020-21 Special Levy for the City's various improvement areas ("IA") of CFD No. 93-1, CFD Nos. 2016-1, 2016-2, 2016-3, 2016-4, 2018-1 and 2019-1. The calculations incorporate various assumptions as applicable for each IA or CFD, including:

1. The expected annual debt service costs;
2. The expected costs of providing services such as the landscaping, maintenance, and lighting of City-owned parks, parkways, streets, roads, and open space;
3. The expected costs of providing public safety services such as police, fire, and ambulance and paramedic services;
4. The expected administrative costs; and
5. The collection of funds for future facilities.

Over the past several years the City has implemented measures to reduce special tax rates for all applicable IAs of CFD No. 93-1. The City's developing CFDs, for which the final series of bonds has not been issued, are not yet eligible for a reduction. The reduction in special tax rates has been accomplished through two forms i) bond refinancing, and ii) bond issuances to fully bond CFDs/IAs.

Approval of the following resolutions establishes the levy of all IAs/CFDs listed in the attached Exhibit A and authorizes the County of Riverside to place the levy upon the property tax roll for Fiscal Year 2020-21. Detailed parcel calculations will be provided to the County of Riverside to levy and collect such special taxes on behalf of the City.

The Fiscal Year 2020-21 projected total CFD levy will show an increase over FY 2019-20 primarily as the result of building permits being issued and increased development within the City.

Final series of bonds were issued for two (2) CFDs (IA 8F & CFD 2016-4). Both are now considered fully bonded and are eligible for reductions. Cumulatively, the reductions will result in a levy of \$102,964 in total special taxes.

In addition, two IAs (IA 8C and 17B) have outstanding bonds that are being refunded. The successful bond refundings are expected to result in a reduction of special taxes that will be realized in FY 2020-21.

As mentioned, some IAs/CFDs have seen an increase in their levies for FY2020-21. These IAs/CFDs are developing and had additional parcels added as a result of the issuance of building permits for new construction, or the IA was not eligible for reduction and the special tax escalated annually per the requirements of the RMA and/or debt service requirements for bonds outstanding. Staff will continue to make all efforts possible to continue to reduce the special tax rates in future years for all eligible IAs/CFDs.

Multiple resolutions are provided for individual consideration. This will allow individual City Council members to recuse themselves for consideration of those IAs/CFDs for which they own property.

Fiscal Impact:

The fiscal impact on the City's general fund is indirect, as the administration and maintenance portions of assessments collected are the funding source for the administration of the CFD processes and maintenance of the various applicable geographic regions.

Recommended Action:

Waive the full reading and adopt by title only "A Resolution of the City Council of the City of Beaumont, California, Levying the Special Tax in Community Facilities

Districts No. 93-1, 2016-1, 2016-2, 2016-3, 2016-4, 2018-1 & 2019-1 and Directing the County Auditor to Collect the Same on the Tax Rolls (93-1, 2016-1, 2016-2, 2016-3, 2016-4, 2018-1 & 2019-1)”

Waive the full reading and adopt by title only “A Resolution of the City Council of the City of Beaumont, California, Levying the Special Tax in Community Facilities Districts No. 93-1 (IA 18) and Directing the County Auditor to Collect the Same on the Tax Rolls (IA 18)”

Waive the full reading and adopt by title only “A Resolution of the City Council of the City of Beaumont, California, Levying the Special Tax in Community Facilities Districts No. 93-1 (IA 14 & 14A) and Directing the County Auditor to Collect the Same on the Tax Rolls (IA 14 & 14A)”

Waive the full reading and adopt by title only “A Resolution of the City Council of the City of Beaumont, California, Levying the Special Tax in Community Facilities Districts No. 93-1 (IA 9) and Directing the County Auditor to Collect the Same on the Tax Rolls (IA 9)”

Waive the full reading and adopt by title only “A Resolution of the City Council of the City of Beaumont, California, Levying the Special Tax in Community Facilities Districts No. 93-1 (IA 17A) and Directing the County Auditor to Collect the Same on the Tax Rolls (IA 17A)”

Attachments:

- A. Resolution for Annual Levy 2020 (Balance)
- B. Resolution for Annual Levy 2020 (Carroll recusal – IAs 14, 14A)
- C. Resolution for Annual Levy 2020 (Martinez recusal – IA 9)
- D. Resolution for Annual Levy 2020 (Santos recusal – IA 17A)
- E. Resolution for Annual Levy 2020 (White recusal – IA 18)
- F. Summary of CFD Special Tax Enrollment