



STAFF REPORT
9/25/2024

TO: Honorable Mayor and City Council Members

FROM: Maritza Martinez, Public Works Director

SUBJECT: Second Reading of Ordinance No. 1214 authorizing the levy of a Special Tax in Community Facilities District No. 2024-1 (Public Services).

STAFF RECOMMENDATION:

Second Reading of Ordinance No. 1214 authorizing the levy of a Special Tax in Community Facilities District No. 2024-1 (Public Services).

BACKGROUND:

On July 24, 2024 the City Council adopted a Resolution of Intent with the intent of forming a Mello-Roos community facilities district, CFD 2024-1 (Public Services) to finance the impact by new development on park maintenance, landscaping and lighting maintenance, drainage maintenance and street maintenance.

On September 11, 2024, the City Council held the public hearing to receive public testimony and property owner protests, if any, with regard to the formation of the district and the levy of a special tax. The City Council adopted Resolution No. 2024-45 establishing CFD 2024-1 (Public Services) and Resolution No. 2024-46 calling for a special tax election to be held and submitting to the qualified electors of the proposed CFD a proposition (Ballot Measure) regarding the annual levy of special taxes within the CFD. The special election was held and the levy of the special tax in CFD 2024-1 was approved by at least 2/3 of the qualified electors. The city clerk directed the recording of a notice of special tax, and the ordinance ordering the levy of special taxes within CFD 2024-1 was introduced.

DISCUSSION/ANALYSIS:

The special taxes collected from the property owners within the CFD 2024-1 are to be used for the funding of park maintenance, landscaping and lighting maintenance, drainage maintenance and street maintenance required due to the development of the property within CFD 2024-1.

The Project included in the CFD 2024-1 (Public Services) is owned by Pulte Home Company, LLC and is generally located west of Van Buren Street and south of Avenue 50. The Project currently includes the development of 204 single family residential parcels. The boundary of the CFD includes the area within assessor's parcel numbers 779-280-002 and 779-320-001.

The property owners of the development will be required to pay annual special taxes for CFD 2024-1, beginning the fiscal year after they are issued a building permit, as itemized on their property tax bill, in accordance with the rate set forth in the Rate and Method of Apportionment of Special Tax.

FISCAL IMPACT:

The City expects to collect an annual special tax of \$655, plus an annual inflationary adjustment per detached dwelling unit within CFD 2024-1. In accordance with the rate set forth in the Rate and Method of Apportionment of Special Tax, the annual special tax will be collected beginning the fiscal year after a building permit is issued and will be reflected as itemized charge on their property tax bill. CFD 2024-1 will result in a new annual special tax totaling \$133,620 for 204 single family residential parcels; subject to annual inflationary adjustment.

Attachment:
Ordinance No. 1214