



STAFF REPORT

July 20, 2022
File Number 0685-10

SUBJECT

SETTING SPECIAL TAX LEVY FOR COMMUNITY FACILITIES DISTRICT NO. 2000-01 (HIDDEN TRAILS)

DEPARTMENT

Finance

RECOMMENDATION

Request the City Council adopt Resolution 2022-86, setting the Special Tax Levy for Community Facilities District No. 2000-01 (Hidden Trails)(the “District”) for Fiscal Year 2022-23

Staff Recommendation: Approval (Finance: Christina Holmes, Director of Finance)

Presenter: Christina Holmes, Director of Finance

FISCAL ANALYSIS

A Special Tax is levied annually on land within Community Facilities District No. 2000-01 (Hidden Trails) and collected through the County of San Diego Treasurer-Tax Collector’s Office. The funds from the Special Tax are used to meet debt service obligations from the issuance of bonds and fund administrative expenses for the District.

PREVIOUS ACTION

The City Council approved the establishment of Community Facilities District No. 2000-01 (Hidden Trails) on September 20, 2000, and has annually thereafter adopted a resolution setting the annual Special Tax Levy. Prior year’s Resolution No. 2021-75 was adopted on July 21, 2021.

BACKGROUND

At the request of the property owner/developer and pursuant to the City’s Statement of Goals and Policies Regarding the Establishment of Community Facilities Districts, Community Facilities District No. 2000-01 (Hidden Trails) was formed and bonds issued for the purpose of acquiring certain backbone facilities including street, water and sewer facilities which were constructed within the Hidden Trails development as authorized in Section 6 of the Resolution of Formation No. 2000-241R adopted in March of 2000. As required, the proceeds of the bonds were used only for such authorized purposes. As of September 30, 2005, all proceeds were expended, and the projects completed. As of July 1, 2022, \$1,500,000 of principal remain outstanding and the bonds mature on September 1, 2031.



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According to the Rate and Method of Apportionment of Special Taxes for Community Facilities District No. 2000-01 (Hidden Trails), a Special Tax shall be levied annually on land within the District and collected in the same manner and at the same time as ordinary ad valorem property taxes. The City is responsible for annually determining the Special Tax liability for each parcel within the District and for providing this information to the County of San Diego in August of every year.

A Maximum Special Tax Rate was established for developed residential property and undeveloped property. The amount of the Maximum Special Tax Rates and Proposed Actual Special Tax Rates for Fiscal Year 2022/23 are attached as Exhibit "A" to Resolution No. 2022-86.

A comparative analysis of the annual Special Tax Levy Calculation for Fiscal Year 2022/23 is presented on Attachment "1". As noted in the analysis, the 2022-23 Special Tax Levy requirement increased from \$207,378.16 by 1.55% in the amount of \$3,183.02 or an average of \$10.98 per parcel.

Actual cash resources available for the FY2022/23 levy are estimated to be approximately \$14,000 greater than the amount used in the calculation of the FY2022/23 tax levy. The additional available cash is not used in the current year levy calculation, as the use of all available cash for the FY2022/23 levy would result in very large variances in the levy from this year to next (a large levy decrease in current year and then a subsequent year large levy increase). The additional \$14,000 in available cash resources will be used in the levy calculations of the future tax years.

RESOLUTIONS

- A. Resolution No. 2022-86
- B. Resolution No. 2022-86 Exhibit "A" CFD 2000-01 (Hidden Trails) Special Tax Rates

ATTACHMENTS

- A. Attachment "1" - CFD 2000-01 (Hidden Trails) Special Tax Levy Comparative Analysis