



## Legislation Text

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File #: 24-0066, Version: 4

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Auditor-Controller recommending the Board Approve the Final Passage (Second Reading) of Ordinance **5196** Levying Special Taxes for Community Facilities District 2024-1 (Carson Creek Heritage 11). (Cont. 2/27/2024, Item 51)

**FUNDING:** N/A

### **DISCUSSION / BACKGROUND**

On February 27, 2024 (Item 51), the Board Approved the Introduction (First Reading) of Ordinance **5196** Levying Special Taxes for Community Facilities District 2024-1 (Carson Creek Heritage 11). The Board Continued this matter to March 5, 2024 for Final Passage (Second Reading).

On January 9, 2024, the Board adopted Resolution 009-2024, a Resolution of Intention setting forth the intention to establish Community Facilities District 2024-1 (Carson Creek Heritage 11) and stating the County's intention to levy a special tax to pay for the acquisition, construction, and associated costs of the public facilities, and to issue bonds in an amount not to exceed \$35 million for the Community Facilities District (CFD). The boundary of the CFD showing the area initially to be taxed, the formula for calculation of the special tax, and the list of authorized facilities were specified in the Resolution of Intention and are shown on a recorded boundary map. The Resolution also set February 27, 2024, as the date for a hearing on the matters set forth therein, and on that date the CFD formation process is eligible for completion.

On the February 27, 2024, public hearing date the Board has the opportunity to finally form the CFD and create a bond authorization. At the same time an election of the property owners can be completed. We expect that the election results will unanimously favor the District taxes and bonds. The property owners have waived a number of noticing and election procedures, which makes it possible for the proposed district to be formed immediately after the public hearing. Notice of the Public Hearing was published in the same manner as the County's other public hearing notifications at least seven days prior to the hearing date.

At the public hearing on the CFD, protests against the establishment of the CFD, the extent of the CFD, or the furnishing of specified types of public facilities within the CFD may be made orally or in writing by any interested persons or taxpayers. All written protests need to be filed with the Board Clerk on or before the time fixed for the hearing. For protests to legally affect the Board's decision to form the CFD they have to be protests by property owners in the CFD; such protests are not expected. If the Board determines at the conclusion of the hearing to proceed with the establishment of the CFD, the proposed voting procedure will be by landowners. Per waivers of time requirements and other voting formalities, the election can be held the same day, and the Board Clerk will be in possession of the Developer's ballot indicating 100% votes in favor.

The resolutions and Ordinance address the following:

*The Resolution of Formation* - This officially forms the CFD, authorizes the Special Tax to be

collected and establishes an appropriations limit for the CFD (under Article XIII B of the Constitution). The exhibits to this resolution show the facilities to be financed and the formula by which the Special Tax will be levied in the CFD. This includes the *List of Facilities (Exhibit A)* listing the improvements (including impact fees) that are authorized to be funded from special tax revenues generated within the CFD, and the *Rate & Method of the Special Tax (Exhibit B)* providing for the security for the funding of the CFD and showing how the revenues from the CFD are to be collected and also sets forth the purpose and level of the taxes from the various different types of properties.

*The Resolution Calling Special Landowner Election* - This sets the election for the same Board meeting date and provides the form of the special ballot to be used by the landowner-voter. The election may be held at the same meeting because the property owner-voters have all asked for it. Ballots have been previously mailed and have been returned directly the Board Clerk by the meeting time.

*The Resolution Declaring Results of Special Landowner Election* - This is for adoption by the Board after the vote is announced by the Board Clerk. It confirms the outcome of the property owner election for the CFD as 100% in favor. Attached to it is a copy of the official Canvass and Statement of Result of Election to be completed by the Board Clerk after the vote is announced. This resolution also directs the filing of the Notice of Special Tax Lien against the lands in the CFD to evidence a lien securing the tax.

*Ordinance Levying Special Taxes* - Under the law, the Board must levy the special taxes by an ordinance. Under this ordinance, the levy is made once by the adoption of this ordinance, and, in each year hereafter, the process of determining the special taxes and processing the collection is done by the County's financial official (or a consultant) and no further Board action is needed.

Once the above actions are completed, the Board Clerk is authorized to record with the County Recorder a Notice of Special Tax Lien pertaining to each of the parcels in the CFD subject to a special tax.

Just prior to the time a first series of bonds are to be issued, the Board will be asked to approve the bond documents and authorize the series; this is still several weeks away.

In order to complete the CFD formation process and to legally authorize the future levy of a special tax, and to authorize bonds to finance the costs of certain public facilities of benefit to the properties within the CFD, the Assessment and Community Facilities CFD Bond Screening Committee recommends that the County adopt the above listed Resolutions and Ordinance.

## **ALTERNATIVES**

N/A

## **PRIOR BOARD ACTION**

January 9, 2024

## **OTHER DEPARTMENT / AGENCY INVOLVEMENT**

County Counsel has reviewed the Resolutions and Ordinance.

## **CAO RECOMMENDATION / COMMENTS**

Approve as recommended.

**FINANCIAL IMPACT**

None.

**CLERK OF THE BOARD FOLLOW UP ACTIONS**

Following Board approval:

1. Board Clerk's Office will work with Auditor-Controller to record a Notice of Special Tax Lien with the Recorder's Office.
2. Board Clerk's Office will work with the Auditor-Controller to publish Ordinance Levying Special Tax within fifteen (15) days after its passage at least once in a newspaper of general circulation published and circulated in the County.

**STRATEGIC PLAN COMPONENT**

N/A

**CONTACT**

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