

Meeting Date: 12/17/2013

Report Type: Consent

Report ID: 2013-00812

Title: Curtis Park Village Community Facilities District No. 2013-03 Ordinance to Levy a Special Tax (Passed for Publication 12/10/2013; Published 12/12/2013)

Location: District 5

Issue: Landowner voted to establish the Curtis Park Village Community Facilities District No. 2013-03 (District) pursuant to Mello-Roos Communities Facilities Law of 1982.

Recommendation: 1) Pass an Ordinance levying a special tax solely within and relating to the District; and 2) pass a Resolution establishing an accounting fund for collecting special tax proceeds for Fiscal Year (FY) 2014-15.

Contact: Diane Morrison, Program Specialist, (916) 808-7535; Mark Griffin, Program Manager, (916) 808-8788, Department of Finance

Presenter: None

Department: Finance

Division: Public Improvement Finance

Dept ID: 06001321

Attachments:

- 1-Description/Analysis
- 2-Background
- 3-Schedule of Proceedings
- 4-Resolution
- 5-Ordinance

City Attorney Review

Approved as to Form
Michael W. Voss
12/11/2013 9:20:48 AM

City Treasurer Review

Reviewed for Impact on Cash and Debt
Russell Fehr
12/2/2013 3:43:35 PM

Approvals/Acknowledgements

Department Director or Designee: Leyne Milstein - 12/10/2013 11:51:16 AM

Description/Analysis

Issue: Under the conditions of approval for the Curtis Park Village Development Project (Project), the property owner initiated proceedings to create a community facilities district that will fund the maintenance of public improvements. Establishing the Curtis Park Village Community Facilities District No. 2013-03 (District) will satisfy the conditions by authorizing the City to levy special taxes in an amount sufficient to provide funding for maintenance and operation of drainage basin landscaping, water pump and aeration features, and the annual energy cost and maintenance of the above-City-standard lighting on the light-rail/Union Pacific pedestrian bridge.

On October 29, 2013, the City Council passed a resolution of intention to form the District. On December 3, 2013, the City Council passed a resolution to conduct a special mailed-ballot election with regard to formation of the District. On December 6, 2013, the property owner voted in favor of forming the District.

Policy Considerations: Approval of the ordinance will create a source of funding to provide energy and maintenance costs of above-City-standard lighting on the pedestrian bridge and detention basin landscaping maintenance and operating costs within the Project.

Economic Impacts: This report does not have direct economic impacts.

Environmental Considerations:

California Environmental Quality Act (CEQA): Under the CEQA guidelines, formation of a district and continuing administrative activities do not constitute a project and are therefore exempt from review.

Sustainability: There are no sustainability considerations applicable to the formation process or administration of a special district.

Committee/Commission Action: None

Rationale for Recommendation: By a unanimous vote, the property owner approved the levy of a special tax within the District. The attached ordinance will implement that approval in accordance with the Mello-Roos Community Facilities Act of 1982 (Government Code sections 53311-53368.3).

Financial Considerations: The property owners will pay all costs associated with the District. The maximum special tax for each Assessor's Parcel shall be the amounts shown below for Fiscal Year FY 2014-15.

Single-Family Residential Units	\$ 54.00	Per Unit
Multi-Family Residential and Mixed Use Residential Units	\$ 44.00	Per Unit
Final and Undeveloped Parcels	\$810.00	Per Acre

A detailed explanation of the proposed special tax is in the Rate and Method of Apportionment, which is attached to the Resolution. No tax will be levied in FY 2013-14. The formation process sets the base rates, which coincide with the special tax amounts shown above. An actual levy is anticipated for FY 2014-15.

A new accounting fund will need to be established for the collection of special tax proceeds with the District beginning in FY 2014-15.

Emerging Small Business Development (ESBD): None. No goods or services are being purchased.

Background

The Curtis Park Village project proposes to develop approximately 71.7 acres, which previously housed the rail yard operations center for the Western Pacific Railroad. The project site was rezoned from Heavy Industrial to include a shopping center, single-family, multi-family, and mixed-use residential, and open spaces.

The project site is located north of Sutterville Road, south and west of the existing Curtis Park neighborhood, and east of the Union Pacific Railroad/Regional Transit South Line.

At build-out, the site will be developed with 192 single-family and 335 multi-family residential units, as well as commercial/retail and office uses. Included in the multi-family residential will be 91 units for senior, affordable housing. The 3.6 acre detention basin is intended to be wet year-round with a well, pump and aeration fountain. A small landscaped area around the basin will include shrubs, trees, and grass with an esplanade and benches. The District will maintain these basin features and landscaping as well as lighting that exceeds City standards on the pedestrian bridge over the rail lines.

SCHEDULE OF PROCEEDINGS

CURTIS PARK VILLAGE COMMUNITY FACILITIES DISTRICT (CFD) NO. 2013-03

- Oct. 15, 2013 City Clerk Certification of registered voters
- Oct. 23, 2013 100% Consent waivers due to City
- Oct. 29, 2013 City Council
 - Adopt Resolution of Intention (sets hearing date)
- Oct. 30, 2013 Mail Notice of Hearing and Record Boundary Map
- Nov. 24, 2013 City Clerk publish notice of Public Hearing
- Dec. 03, 2013 City Council
 - Conduct Public Hearing
 - Resolution of Formation
 - Resolution Calling Special Election
- Dec. 04, 2013 Mail Ballots
- Dec. 06, 2013 Ballots Due
- Dec. 10, 2013 City Council
 - Adopt Resolution Declaring Results of Special Election
 - Pass for Publication Ordinance to Levy Tax
- Dec. 11, 2013 Record Notice of Special Tax
- Dec. 17, 2013 City Council**
 - **Adopt Ordinance to Levy Special Tax**
 - **Resolution Establishing Accounting Fund**

RESOLUTION NO.

Adopted by the Sacramento City Council
**ESTABLISHING AN ACCOUNTING FUND FOR THE
CURTIS PARK VILLAGE COMMUNITY FACILITIES DISTRICT 2013-03
FOR FISCAL YEAR (FY) 2014-15**

BACKGROUND

- A. Curtis Park Village Community Facilities District 2013-03 (District) formation was approved by City Council on December 3, 2013. FY 2014-15 is the first year that landowners within the District will be subject to the special tax. A new accounting fund needs to be created in accordance with Article IX, section 114, of the City Charter.
- B. The District will levy special taxes in an amount sufficient to provide funding for maintenance and operation of drainage basin landscaping, water pump and aeration features, and the annual energy cost and maintenance of the above-City-standard lighting on the light rail/Union Pacific pedestrian bridge.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

Section 1 The Background statements A and B are true and correct.

Section 2 The Finance Director is authorized and directed to create a new accounting fund to be known as the Curtis Park Village CFD 2013-03.

ORDINANCE NO.

Adopted by the Sacramento City Council

LEVYING A SPECIAL TAX FOR THE PROPERTY-TAX YEAR 2014-2015 AND FOLLOWING TAX YEARS SOLELY WITHIN AND RELATING TO THE CURTIS PARK VILLAGE COMMUNITY FACILITIES DISTRICT NO. 2013-03 FOR THE MAINTENANCE OF AREAS IN AND AROUND THE CURTIS PARK VILLAGE DEVELOPMENT PROJECT

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

1. On December 3, 2013, the City Council adopted Resolution No. 2013-0390 (the "**Resolution**"), thereby establishing the Curtis Park Village Community Facilities District No. 2013-03 (the "District").
2. In accordance with section 53328 and 53340 of the California Government Code (the "**Code**") and the Rate and Method of Apportionment of Special Tax attached as Exhibit B to the Resolution (the "**RMA**"), a special tax is hereby levied on all taxable parcels within the District for the 2014-2015 tax year and for all subsequent years in the amount of the maximum authorized tax. This amount may be adjusted annually by resolution of the City Council, subject to the maximum authorized special tax limit.
3. The Manager of the Public Improvement Finance Division of the Finance Department or his or her designee (the "**Manager**"), with the aid of the appropriate officers and agents of the City and without further action by the City Council is authorized and directed (a) to calculate the Special Tax Requirement (as required in section 5 of the RMA) each year; (b) to prepare the annual special-tax roll in the amount of the Special Tax Requirement in accordance with the RMA; and (c) to provide to the Sacramento County Auditor-Controller all information in proper form, and in proper time, that is necessary and appropriate to effect the correct and timely billing and collection of the special tax on the secured property-tax roll of Sacramento County (the "**County**"). As provided in section 53340 of the Code and in the RMA, the special tax is to be collected in the same manner and at the same time as ad valorem taxes.
4. The appropriate officers and agents of the City are authorized to make adjustments to the special-tax roll before the final posting of the special taxes to the County tax roll each year, as may be necessary to achieve a correct match of the special tax levy with the assessor's parcel numbers used by the County in sending out property-tax bills. The County may deduct its reasonable and agreed charges for collecting the special tax from the amounts collected, before remitting the special tax collections to the City.

5. Any taxpayer may contest the levy of the special tax by filing a written notice of appeal in accordance with section 7 of the RMA, which is supplemented as follows:
 - a. The Manager shall serve as the CFD Administrator for purposes of section 7 of the RMA.
 - b. A taxpayer may file a notice of appeal with the Manager not more than two years after the end of the tax year for which the taxpayer is contesting the levy, and the taxpayer's failure to do so within that time constitutes a bar to appeal. The notice of appeal must specify in detail the grounds of the appeal, which are limited to (1) clerical errors in assigning an amount of tax to a parcel and (2) an error in defining the use of a parcel or its classification. No other appeals are allowed.
 - c. Not more than 30 days after an appeal is filed, the Manager shall review the appeal, meet with the taxpayer (if necessary), and mail the taxpayer a written decision on the appeal. If the Manager finds that the special tax should be modified, then the Manager shall correct the special-tax levy or grant the taxpayer a credit against the next year's special-tax levy, as appropriate under the circumstances. The Manager's failure to timely mail a written decision will constitute a decision denying the appeal.
 - d. If the taxpayer disagrees with the Manager's decision, and if the taxpayer is current on payments of the special tax, then the taxpayer may appeal to the City Council by filing a written notice of appeal with the City Clerk not more than 30 days after the Manager mails the notice of decision or has failed to timely mail a written decision, and the taxpayer's failure to do so constitutes a bar to further appeal. The notice of appeal must specify in detail the grounds of appeal. The City Council shall, in accordance with chapter 1.24 of the City Code, either hear the appeal itself or refer the appeal to a hearing officer. The hearing on the appeal from the Manager's decision is to be conducted not more than 30 days after the taxpayer files the appeal with the City Council, and the City Council or the hearing officer, as appropriate, shall mail a written decision to the taxpayer not more than 30 days after the hearing concludes. The decision of the City Council or the hearing officer will be final for all purposes. The failure of the City Council or the hearing officer to hear the appeal or to render a decision within the specified time will constitute a denial of the appeal.
6. The filing of an appeal under section 5 will not relieve the taxpayer of the obligation to pay the special tax when due.

7. If for any reason a court with jurisdiction finds any portion of this ordinance to be invalid or finds the special tax to be inapplicable to any particular parcel, then the balance of this ordinance and the application of the special tax to the remaining parcels will not be affected.
8. In accordance with section 32(c) of the City Charter, after the City Council has passed this ordinance for publication the City Clerk shall have the title of this ordinance, and only the title, published at least once in a newspaper of general circulation that is published in the City and designated by the City Council as the official newspaper of the City, with the publication to occur at least three days before the City Council adopts this ordinance.