

City of Sacramento

Legislation Text

File #: 2018-01739, **Version:** 1

Title:

Ordinance to Levy a Special Tax on Future Annexed Land - Sacramento Services Community Facilities District No. 2018-05 (Passed for Publication 02/05/2019; Published 02/08/2019)

File ID: 2018-01739

Location: Citywide

Recommendation:

Adopt an Ordinance to levy a special tax on land to be annexed into the Sacramento Services Community Facilities District No. 2018-05 (CFD No. 2018-05) at a future date.

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Presenter: None

Attachments:

- 1-Description/Analysis
- 2-Schedule of Proceedings
- 3-Ordinance

Description/Analysis

Issue Detail: In 2014, Section 53340 of the Mello-Roos Community Facilities Act of 1982 (Act) was amended to allow parcels being annexed into an existing community facilities district to be taxed by ordinance at specific special tax rates with the unanimous approval of property owners in the area to be annexed.

On December 11, 2018, Council passed a Resolution of Intention (Resolution No. 2018-0480) to create a “future annexation area” and allow development projects to annex into CFD No. 2018-05 administratively using the unanimous approval process. On January 22, 2019, Council adopted a Resolution Establishing Territory as a Future Annexation Area to CFD No. 2018-05 (Resolution No. 2019-0031), thereby establishing the “future annexation area” of CFD No. 2018-05. Lastly, on

February 5, 2019, Council passed for publication an ordinance levying a special tax on future property that annexes into CFD No. 2018-05.

Policy Considerations: Adoption of the ordinance will provide a mechanism to fund services for future project areas annexed to CFD No. 2018-05 with flexibility to customize special tax rates based on the specific cost of services provided. As required by the Act, these services will not supplant services already available within that territory prior to annexation.

Economic Impacts: Not applicable.

Environmental Considerations:

California Environmental Quality Act (CEQA): Under CEQA Guidelines, the formation of a community facilities district and continuing administrative activities do not constitute a project and are therefore exempt from review (14 Cal. Code Regs. §15378(b)(4) & (5)).

Sustainability: Not applicable.

Commission/Committee Action: None.

Rationale for Recommendation: The recommended actions are authorized by the Act for levying special taxes at varying rates with the unanimous consent of property owners.

Financial Considerations: The property owners will pay all costs associated with annexing to CFD No. 2018-05. The maximum special tax rates for properties located in CFD No. 2018-05 are outlined in its Rate and Method of Apportionment of Special Tax (included as Exhibit C to both Resolution No. 2018-0480 and Resolution No. 2019-0031) but may vary for each annexation depending on the services needed in the territory being annexed. There is no impact on the General Fund or any other funds of the City as a result of this action.

Local Business Enterprise (LBE): Not applicable.