CFD Loan Forgiveness

May 2, 2022

History

2003	2005	2006-2009	2008	2009
CFD-Services approved by City Council. *Adopted a policy of "growth pays for growth"*	City began to realize special taxes from annexed improvement areas. **Housing was booming!**	General Fund loans to CFD for Fire, Police, and Parks. Council Action and Budget Process	**Housing Market crash!** City started to feel the fiscal impacts of the economic downturn. Developers -stopped building - abandoned developments - declared bankruptcy or foreclosed	City started to restructure, lay-off, etc. due to significant reductions in revenue. *City stopped any future CFD loans.*

Loans

	2006	2007	2008	2009	Total Loan Principal
CFD-Fire		322,323.16	418,331.28		$740,654.44
CFD-Police		164,999.19	529,697.09		$694,696.28
CFD-Parks	77,312.00	73,404.00	54,571.00	70,353.99	$275,640.99
Total	$77,312.00	$560,726.35	$1,002,599.37	$70,353.99	$1,710,991.71

Loans

	Principal	Interest	2012 Payments	Total
CFD-Fire	$ 740,654.44	$ 476,352.45	($20,500.00)	$1,196,506.89
CFD-Police	694,696.28	422,274.84	(49,500.00)	$1,067,471.12
CFD-Parks	275,640.99	154,623.39	(11,500.00)	$ 418,764.38
Total	$1,710,991.71	$1,053,250.68	($81,500.00)	$2,682,742.39

Recommendation

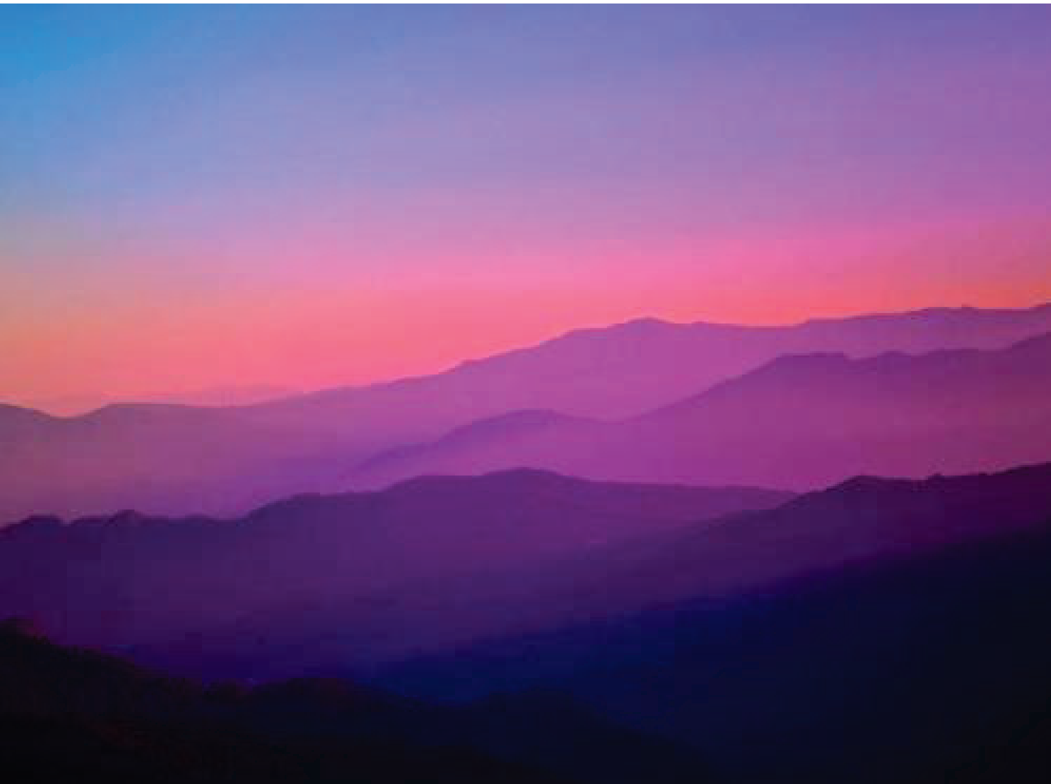
Forgive all three CFD Loans

- CFD Revenues
  - Annual increases are not enough
  - Shifting personnel from Measure C

- Measure C Sunset
  - Eliminate over 30 positions in Public Safety

- Rapidly Growing
  - Currently need more Public Safety and Parks Resources

- Bond Rating
  - Negatively impact



Questions?