



Legislation Details (With Text)

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Type:	Consent Item	Status:		Passed	
File created:	4/19/2017	In control:	City Council/Public Finance and Economic Development Authority/Parking Authority/Successor Agency to the Redevelopment Agency		
On agenda:	6/5/2017	Final action:	6/5/2017		
Title:	SUBJECT: Fiscal Year 2017-18 Annual Special Tax Rates for Community Facilities District (CFD) No. 2003-2 (Services)				
	REPORT IN BRIEF Consider setting the Annual Special Tax Rates for Fiscal year 2017-18 for Community Facilities District (CFD) No. 2003-2 (Services) of the City of Merced.				
	RECOMMENDATION City Council - Adopt a motion approving Resolution No. 2017-32, a Resolution of the City Council of the City of Merced, California, Acting as the Legislative Body of the Community Facilities District No. 2003-2 (Services) of the City of Merced, Authorizing the Establishment of an Annual Special Tax for Said District for Fiscal Year 2017-18.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	1. CFD Resolution, 2. CFD Fund Balances.pdf				

Date	Ver.	Action By	Action	Result
6/5/2017	1	City Council/Public Finance and Economic Development Authority/Parking Authority/Successor Agency to the Redevelopment Agency	approved	Pass

Report Prepared by: Ken Elwin, Director of Public Works and Stephanie Dietz, Interim Finance Officer

SUBJECT: Fiscal Year 2017-18 Annual Special Tax Rates for Community Facilities District (CFD) No. 2003-2 (Services)

REPORT IN BRIEF

Consider setting the Annual Special Tax Rates for Fiscal year 2017-18 for Community Facilities District (CFD) No. 2003-2 (Services) of the City of Merced.

RECOMMENDATION

City Council - Adopt a motion approving **Resolution No. 2017-32**, a Resolution of the City Council of the City of Merced, California, Acting as the Legislative Body of the Community Facilities District No. 2003-2 (Services) of the City of Merced, Authorizing the Establishment of an Annual Special Tax for Said District for Fiscal Year 2017-18.

ALTERNATIVES

1. Approve, as recommended by staff; or,
2. Approve, subject to other than recommended by staff (identify); or,
3. Deny; or,
4. Refer back to staff for consideration of specific items as requested by Council; or,
5. Continue to a future meeting.

AUTHORITY

In accordance with Ordinance 2144, set the annual special tax rates for the fiscal year 2017-18 for the Community Facilities District No. 2003-2 (Services) (the “District”) pursuant to Chapter 2.5 (commencing with Section 53311) of Part 1 Division 2 of Title 5 of the California Government Code (the “Act”), commonly known as the “Mello-Roos Community Facilities Act of 1982.”

CITY COUNCIL PRIORITIES

As provided for in the 2017-18 Adopted Budget

DISCUSSION

Pursuant to the Mello-Roos Community Facilities District Act of 1982 and the City’s Policies, the City Council formed Community Facilities District No. 2003-2 (Services), the “District” on January 5, 2004. A successful election was conducted to levy special tax within the District. On January 20, 2004, the City adopted Ordinance No. 2144, which authorized the levy of special tax within the boundaries of the District and specified that the City Council by resolution annually set the special tax rates. On May 2, 2005, November 21, 2005, March 20, 2006, April 16, 2007, July 16, 2007, November 19, 2007, December 17, 2007 and November 19, 2009 August 1, 2016 and December 19, 2016 areas known as Annexation Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10 were formally annexed into the Community Facilities District No. 2003-2 (Services) through successful elections or consents and became subject to Ordinance No. 2144.

The Community Facilities District No. 2003-2 (Services) was formed to ensure funding is available for services in areas that are considered new growth. Special tax is collected and used to pay for all or portions of the following services: police and fire protection services, maintenance of parks, landscaping, parkways, open space, storm drain and streetlight.

The rates of the special tax may increase each year by the average of the Consumer Price Index, Urban Wage Earners, and the Clerical Workers category for the San Francisco, Oakland, San Jose and the United States’ City averages. The proposed maximum special tax rates require annual City Council approval. The rates are set at the maximum taking into account the 3.047% allowable increase.

Approval of the 2017-18 maximum special tax rates will generate approximately \$57,640 in additional revenue to cover increase in costs and/or services provided in the new growth areas.

IMPACT ON CITY RESOURCES

No appropriation of funds is needed.

ATTACHMENTS

1. Resolution No. 2017-32 establishment of FY 2017-18 Annual Special Tax Rates

2. CFD Improvement Area Fund Balances