

STAFF REPORT
City of Lancaster

CC 11
07/22/14
MVB

Date: July 22, 2014

To: Mayor Parris and City Council Members

From: Barbara Boswell, Finance Director

Subject: **Approval of Special Tax Levy within Community Facilities District No. 91-1 For Fiscal Year 2014-2015**

Recommendation:

Adopt **Resolution No. 14-50**, authorizing and providing for the Fiscal Year 2014-2015 levy of a special tax within Community Facilities District No. 91-1, a District established to finance the construction of regional water and sewer improvements for Quartz Hill II & III.

Fiscal Impact:

No expenditure of City funds is involved since the special tax levy on land within CFD 91-1 proposed for 2014-2015 are sufficient to meet administrative costs and debt service requirements for 2014-2015 on CFD 91-1, 1990 Special Tax Bonds. The maximum tax levy will remain the same as the prior year.

Background:

CFD 91-1, otherwise known as Kaufman and Broad Quartz Hill II and III, was established to finance the construction of regional water and sewer improvements on the west side of Lancaster. Five million, eight hundred and thirty thousand dollars (\$5,830,000) in Special Tax Bonds were issued in 1991 and refunded in the amount of five million, three hundred and fifty thousand dollars (\$5,350,000) in 2000.

On September 3, 1991, City Council adopted Ordinance No. 574, authorizing the levy of the special tax for CFD 91-1.

The levy of the special tax on an annual basis is required since the rate and method for special tax apportionment differentiates between developed property and undeveloped property. As homes are completed and sold by the developer, the property changes from undeveloped to developed status, which carries a different tax rate for the homebuyer.

As required by Ordinance No. 574, authorizing the levy of a special tax for CFD 91-1, the City Council is required to adopt, by Resolution, the special tax levy in accordance with previously adopted “Rate and Method of Special Tax Apportionment”. The City’s Mello-Roos administrator, Willdan, has completed the Special Tax Levy Report for Fiscal Year 2014-2015.

BB:NR

Attachments:

Resolution No. 14-50

Special Tax Levy Report – On file in the City Clerk’s Office

Exhibit A – 2014-2015 Special Tax Rates