

BILL NO. \_\_\_\_\_

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE COUNCIL OF THE CITY OF FRESNO LEVYING A SPECIAL TAX FOR THE PROPERTY TAX YEAR 2019-2020 AND FUTURE TAX YEARS WITHIN AND RELATING TO COMMUNITY FACILITIES DISTRICT NO. 17, CITY OF FRESNO, CALIFORNIA

WHEREAS, on May 21, 2020, the Council adopted Council Resolution No. 2020 - \_\_\_\_\_, a resolution of the Council of the City of Fresno of formation of Community Facilities District No. 17 (CFD No. 17), authorizing the levy of a special tax therein and preliminarily establishing an appropriations limit thereon (Formation Resolution), pursuant to the City of Fresno Special Tax Financing Law (City Law), Chapter 8, Division 1, Article 3 of the Fresno Municipal Code; and

WHEREAS, by Council Resolution No. 2020-\_\_\_\_\_, the Council called a special election on the proposition on levying a special tax and establishing an appropriations limit within CFD No. 17; and

WHEREAS, on May 21, 2020, an election was held within CFD No. 17 and, as required by City Law to pass, more than two-thirds of the votes cast, approved the propositions.

THE COUNCIL OF THE CITY OF FRESNO DOES ORDAIN AS FOLLOWS:

1. Pursuant to City Law, and in accordance with the Rate and Method of Apportionment of Special Tax as shown in Exhibit C to the Formation Resolution, which is attached hereto for reference purposes, a special tax is hereby authorized and levied

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Date Adopted:  
Date Approved  
Effective Date:

City Attorney Approval:



Ordinance No.

on all taxable parcels within CFD No. 17 for the 2019-2020 fiscal year and for each future fiscal year at the same or at a rate lower than the maximum rate of tax provided in Exhibit C to the Formation Resolution. By a resolution of this Council, the tax rate may be adjusted annually, subject to such maximum rate of tax. The special taxes levied in any fiscal year on any parcel within CFD No. 17 shall not exceed the maximum tax specified in Exhibit C to the Formation Resolution.

2. The Public Works Director or his designee is authorized and directed, with the aid of the appropriate officers and agents of the City, to determine each year, the Special Tax Requirement (as the term is defined in Exhibit C of the Formation Resolution), to prepare the annual special tax roll in the amount of Special Tax Requirement in accordance with said Exhibit C and, without further action of this Council, to provide all necessary and appropriate information to the Fresno County Auditor in the form, and within the time necessary, and appropriate information to the Fresno County Auditor in the form, and within the time necessary, to effect the correct and timely billing and collection of the special tax on the secured property tax toll of the County. The special tax shall be levied and collected in the same manner, shall be subject to the same penalties and the same lien priority, and the same procedure and sale for delinquency, as for ad valorem taxes. Notwithstanding the foregoing, as set forth in the Formation Resolution and City Law, this Council reserves the right to use any method of collecting the special tax, which the Council, from time to time, may determine to be in the best interests of the City including, without limitation, direct billing by the City to the property owners and supplemental billing. The Public Works Director or his designee is further authorized and directed to furnish the notices of special tax required by City Law.

3. The appropriate officers and agents of the City are further authorized and directed to adjust the special taxes to the Fresno County tax roll each fiscal year, as necessary to achieve a correct match of the special tax levy with the County Assessor's parcel numbers finally used by the County in sending out property tax bills.

4. If a court of competent jurisdiction finds any part of this Ordinance to be invalid or the special tax to be inapplicable to or unreasonable for any particular parcel, the balance of this Ordinance and the application of the special tax to the remaining parcels, shall not be affected and shall remain in full force and effect.

5. This Ordinance shall take effect and be in force immediately upon the date of final passage, as a tax measure, pursuant to City Charter Section 610.

Attachment:

Exhibit C - Rate and Method of Apportionment of Special Tax

\* \* \* \* \*

STATE OF CALIFORNIA )  
COUNTY OF FRESNO ) ss.  
CITY OF FRESNO )

I, YVONNE SPENCE, City Clerk of the City of Fresno, certify that the foregoing resolution was adopted by the Council of the City of Fresno, at a regular meeting held on the \_\_\_\_\_ day of \_\_\_\_\_, 2020.

AYES :  
NOES :  
ABSENT :  
ABSTAIN :

Mayor Approval: \_\_\_\_\_, 2020  
Mayor Approval/No Return: \_\_\_\_\_, 2020  
Mayor Veto: \_\_\_\_\_, 2020  
Council Override Vote: \_\_\_\_\_, 2020

YVONNE SPENCE, CRM MMC  
City Clerk

BY: \_\_\_\_\_  
Deputy Date

APPROVED AS TO FORM:  
DOUGLAS T. SLOAN  
City Attorney

BY: \_\_\_\_\_  
Jennifer M. Quintanilla Date  
Deputy City Attorney

# EXHIBIT C

## CITY OF FRESNO

### Community Facilities District No. 17 Formation Rate and Method of Apportionment of Special Tax

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#### ANNUAL MAINTENANCE COST ESTIMATE FOR SEWER LIFT-STATIONS

The estimate breaks down the costs of providing one-year of Services to be provided by the City of Fresno Community Facilities District No. 17 (CFD No. 17), commencing with Fiscal Year 2019-2020, for Sewer Lift-Station No. LS001 and Sewer Lift-Station No. LS002.

**Table 1:**

❖ **SEWER LIFT-STATION NO. LS001  
FINAL TRACT MAP NO. 5434**

<b>ITEM</b>	<b>DESCRIPTION</b>	<b>ESTIMATED ANNUAL COST</b>
1	Lift Station Operational Costs	\$8,200.00
2	Lift Station Operational Energy Costs	\$2,000.00
3	Reserve for Replacement	\$5,355.00
4	Incidental Expenses	\$2,445.00
	Total:	\$18,000.00

**Table 2:**

❖ **SEWER LIFT-STATION NO. LS002, THE ANNADALE COMMONS  
DEVELOPMENT  
FINAL TRACT MAP NO. 6187; APN 479-270-33**

<b>ITEM</b>	<b>DESCRIPTION</b>	<b>ESTIMATED ANNUAL COST</b>
1	Lift Station Operational Costs	\$8,200.00
2	Lift Station Operational Energy Costs	\$2,000.00
3	Reserve for Replacement	\$5,355.00
4	Incidental Expenses	\$2,445.00
	Total:	\$18,000.00

## EXHIBIT C

### CITY OF FRESNO

#### Community Facilities District No. 17 Formation Rate and Method of Apportionment of Special Tax

A Special Tax applicable to each assessor's parcel in Community Facilities District No. 17 (CFD No. 17) shall be levied and collected according to the tax liability determined by the City Council of the City of Fresno, through the application of the appropriate amount or rate for taxable property, as described below. All of the property in CFD No. 17, unless exempted by law or by the provisions of Section E below, shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to CFD NO. 17 unless, a separate Rate and Method of Apportionment of Special Tax is adopted for the annexation area.

#### A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

**"Assessor's Parcel"** or **"Parcel"** means a lot or parcel shown on an assessor's parcel map with an assigned assessor's parcel number.

**"Assessor's Parcel Map"** means an official map of the County Assessor of the County of Fresno designating parcels by assessor's parcel number.

**"City"** means the City of Fresno.

**"City Law"** means the City of Fresno Special Tax Financing Law, Chapter 8, Division 1, Article 3, of the Fresno Municipal Code.

**"Commercial/Industrial Subdivision"** means subdivisions zoned for commercial or industrial uses.

**"Council"** means the City Council of the City of Fresno, acting as the legislative body of CFD No. 17.

**"Developable Lot"** means a lot that is anticipated development of residential or nonresidential uses, and which is not an outlot, remainder parcel or other parcel which is not intended to be developed or which must be further subdivided before being developed.

**"Development"** means any assessor's parcel within the City of Fresno which is being developed for Industrial, Commercial, or Multi-Family purposes and requires a Building Permit.

## EXHIBIT C

**"Excluded Parcels"** means those assessor's parcels identified as ineligible for inclusion in CFD No. 17 as shown in "Attachment 1" of this Rate and Method of Apportionment of Special Tax.

**"Final Map"** means a final map, or portion thereof, approved by the Council of the City of Fresno pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) that creates individual developable lots for which building permits may be issued. The term "Final Map" shall not include any assessor's parcel map or subdivision map or portion thereof that does not create individual developable lots for which a building permit may be issued, including assessor's parcels that are designated as remainder parcels.

**"Fiscal Year"** means the period starting April 1 and ending on the following March 31.

**"Incidental Expenses"** means the expenses incurred in the proposed legal proceedings for formation of, or annexation into CFD No. 17 and implementation of the authorized Services from time to time, and will be payable directly from the proceeds of the special tax, includable in each annual special tax levy.

**"Maximum Special Tax"** means the maximum special tax, determined in accordance with Section C, which can be levied in any Fiscal Year.

**"Public Property"** means any property within the boundaries of CFD No. 17 that is owned by the federal government, the State of California, or other local governments or public agencies.

**"Reserve for Replacement"** means a reasonable reserve pursuant to Fresno Municipal Code 8-1-303(e) (4), as a service cost or expense and not as payment for public facilities under Government Code Section 53321(d).

**"Residential Unit"** means a residential dwelling unit and shall include single-family unattached homes, condominiums, town homes, duplex, triplex and fourplex units, and individual apartment units in a multi-family building. For purposes of the levy of special taxes pursuant to Section C below, "Residential Units" shall include dwelling units already built on taxable property in CFD No. 17, as well as dwelling units planned, but not yet built, when the special tax is levied each fiscal year.

**"Special Tax"** means any special tax to be levied each fiscal year on assessor's parcels of taxable property to fund the Special Tax Requirement as defined below.

**"Special Tax Requirement"** means the amount necessary in any fiscal year to (i) pay authorized maintenance and improvement expenses, (ii) pay authorized reserve amounts (iii) pay administrative expenses of CFD No. 17, and (iv) cure any delinquencies in the payment of special taxes levied in prior fiscal years or (based on delinquencies in the payment of special taxes which have already taken place) are expected to occur in the fiscal year in which the tax will be collected.

## EXHIBIT C

**"Subdivision"** means generally improved or unimproved land that is divided for the purpose of sale, lease, or financing in a final map, or portion thereof, approved by the Council pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) that creates individual Developable Lots for which building permits may be issued. This includes Final Tract Maps, Final Parcel Maps, and also includes any development or project created by a document that permits construction of Commercial, Industrial, or Multi-Family improvements by but not limited to Final Tract Maps, Final Parcel Maps, Conditional Use Permits and Site Plans. "Subdivision" includes a condominium project, as defined in Section 4125 of the Civil Code, a community apartment project, as defined in Section 4105 of the Civil Code.

**"Taxable Property"** means all of the assessor's parcels within the boundaries of CFD No. 17 which are not exempt from the special tax pursuant to law or Section F below.

**"Tract"** means an area of land within a subdivision identified by a particular tract number on a Final Map approved for the subdivision.

### B. CALCULATIONS

#### COMMERCIAL AND INDUSTRIAL DEVELOPMENTS OR SUBDIVISIONS

On or about April 1 of each fiscal year, the City of Fresno (City) or its designee shall determine how many square feet of taxable area are in each assessor's parcel within each commercial or industrial development or subdivision of CFD No. 17.

For commercial or industrial developments or subdivisions, the area to be taxed is the total area within each assessor's parcel of the subdivision or development not designated as public right-of-way and is not to exceed the Maximum Special Tax identified for the development or subdivision in Section C, Table 3 or 4 below.

#### RESIDENTIAL DEVELOPMENTS OR SUBDIVISIONS

On or about April 1 of each fiscal year, the City or its designee shall determine how many residential units are built or allowed to be built, on assessor's parcels within CFD No. 17. For parcels of undeveloped property zoned for development of single-family units attached or multi-family units, the number of residential units shall be determined by referencing the condominium plan, apartment plan, site plan or other development plan, or by assigning the maximum allowable units permitted based on the underlying zoning for the parcel. Once a single-family attached or multi-family building or buildings have been built on an assessor's parcel, and the special tax levied against the parcel in the next fiscal year shall be calculated by dividing the Special Tax Requirement by the actual number of residential units not to exceed the Maximum Special Tax per residential unit identified for the final map in Section C, Table 3 or 4 below.



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### C. MAXIMUM SPECIAL TAX

The Maximum Special Tax (MST) applicable to each assessor's parcel in CFD No. 17 shall be specific to each development, subdivision, or portion thereof within CFD No. 17. When additional property is annexed to CFD No. 17, the rate and method adopted for the annexed property shall reflect the MST for the development, subdivision, or portion thereof then annexed.

The MST applicable to each development, subdivision, subdivisions, or portion thereof in CFD No. 17 shall be the rate that is created at the time of CFD No. 17 annexation expressly for the individual development, subdivision, subdivisions, or portion thereof being annexed to CFD No. 17 at that time. Beginning in January of each year, the MST may be adjusted upward annually at the discretion of the City with a limit of 3% plus the rise, if any, in the Construction Cost Index (CCI) for the San Francisco Region for the prior 12-month period (December through December) as published in the Engineering News Record, or published in a comparable index if the Engineering News Record is discontinued or otherwise not available. Each annual adjustment of the MST shall become effective on the subsequent July 1.

Subject to the maximum limit set by the MST, the Special Tax for the commercial, industrial or multi-family developments or subdivision assessor's parcels is calculated by spreading the Special Tax Requirement to the total taxable square footage of the development or subdivision and then apportioned proportionately by area to the individual assessor's parcels within the development or subdivision or by the number of residential units, as applicable.

Subject to the maximum limit set by the MST, the Special Tax for Residential Subdivision parcels is calculated by spreading the Special Tax Requirement to the total number of Residential Units, establishing a unit rate that is apportioned back to the individual parcels.

The Maximum Special Tax for Fiscal Year 2019-2020 for each residential unit in the Sewer Lift-Station No. LS001 boundaries for Final Tract Map No. 5434 is identified in Table 3 below:

**Table 3  
Assigned Special Tax for Sewer Lift-Station No. LS001  
Community Facilities District No. 17**

No.	Description	Total Annual Maximum Special Tax
1.	Final Tract Map No. 5434 Total Annual Lift-Station Costs	\$18,000.00
	Per Lot Annual Cost (140) =	\$128.57

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The Maximum Special Tax for Fiscal Year 2019-2020 for each developed lot in the Sewer Lift-Station No. LS002 boundaries for the Annadale Commons Development (Final Tract Map No. 6187; APN 479-270-33) is identified in Table 4 below:

**Table 4**  
**Assigned Special Tax for Sewer Lift-Station No. LS002**  
**Community Facilities District No. 17**

No.	Description	Total Annual Maximum special Tax
1.	Annadale Commons Development Total Annual Lift-Station Costs	\$18,000.00
2.	Assessor's Parcel Number 479-270-33 (Apartments) Total Shared Annual Cost =	\$10,412.00
3.	Final Tract Map No. 6187 Total Shared Annual Cost =	\$7,588.00
	Per Lot Annual Cost for Final Tract Map No. 6187 (22 lots) =	\$344.91

### D. METHOD OF LEVY AND COLLECTION OF THE SPECIAL TAX

Commencing with Fiscal year 2019-2020, the Special Tax shall be levied on all taxable parcels as follows:

Step 1: Determine the Special Tax Requirement (as defined in Section A above) for the fiscal year in which the Special Tax will be collected;

Step 2: Calculate the total special tax revenues that could be collected from taxable property within CFD NO. 17 based on applying the Maximum Special Tax rates determined pursuant to Section C above to the number of residential units on each parcel of taxable property in CFD No. 17;

If the amount determined in Step 1 is greater than or equal to the amount calculated in Step 2, levy the Maximum Special Tax set forth in Table 3 or 4 above on all parcels of taxable property in CFD No. 17;

If the amount determined in Step 1 is less than the amount calculated in Step 2, levy the Special Tax proportionately against all parcels of taxable property up to 100% of the Maximum Special Tax Requirement for that Fiscal Year.

The Special Tax for CFD No. 17 shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that CFD No. 17 may

## **EXHIBIT C**

(under the authority of Government code 53340), in any particular case, bill the taxes directly to the property owner off of the County of Fresno tax roll, and the Special Taxes will be equally subject to penalties and foreclosure if delinquent.

### **E. EXEMPTIONS**

Notwithstanding any other provision of this Rate and Method of Apportionment of Special Tax, no Special Tax shall be levied on parcels that have been conveyed to a public agency, except as otherwise provided in City Law, and properties receiving a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code. In addition, no Special Tax shall be levied on excluded parcels or parcels that are determined not to be developable lots.

**EXHIBIT C**

**ATTACHMENT 1**

City of Fresno

Community Facilities District No. 17  
Formation  
Excluded Parcels within Each Development

**THERE ARE NO EXCLUDED PARCELS IN  
FINAL MAP 5434, FINAL TRACT MAP NO. 6187, OR APN 479-270-33**