

City of Scotts Valley INTEROFFICE MEMORANDUM

DATE: July 17, 2013

TO: Honorable Mayor and City Council

FROM: Steve Ando, City Manager

SUBJECT: **RESOLUTION NO. 1596.37 AUTHORIZING THE LEVY OF THE ANNUAL SPECIAL TAX ROLL FOR SCOTTS VALLEY DRIVE FOR COMMUNITY FACILITIES DISTRICT 97-1 FOR THE FISCAL YEAR 2013/2014**

SUMMARY OF ISSUE

The special tax formula for Community Facilities District 97-1, adopted as part of Resolution No. 1596.1, prescribes how the Scotts Valley Drive taxes are calculated for all properties in the City of Scotts Valley. The 2013/2014 tax for every property in the District has been calculated and is shown on the "City of Scotts Valley Community Facilities District No. 97-1 Fiscal Year 2013/14 Preliminary Annual Report" which is on file in the office of the Finance Department.

FISCAL IMPACT

The special taxes total \$424,008.28 for 2013/2014. This amount is sufficient to cover debt service in 2013/2014. The amount for each parcel is approximately 81% of the maximum annual tax. For instance, single family homes will be taxed at \$31.70, which is approximately 81% of the annual maximum tax rate of \$39.

STAFF RECOMMENDATION

It is recommended that the City Council Adopt Resolution No. 1596.37 authorizing the levy of the annual special tax roll for Community Facilities District 97-1 for fiscal year 2013/2014.

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RESOLUTION NO. 1596.37

**RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF SCOTTS VALLEY AUTHORIZING
THE LEVY OF THE ANNUAL SPECIAL TAX
FOR THE CITY OF SCOTTS VALLEY
COMMUNITY FACILITIES DISTRICT NO. 97-1
FISCAL YEAR 2013/14**

WHEREAS, the City Council of the City of Scotts Valley, California, (hereinafter referred to as the “legislative body”), has initiated proceedings, held a public hearing, conducted an election and received a favorable vote from the qualified electors relating to the levy of a special tax in a community facilities district, all as authorized pursuant to the terms and provisions of the “Mello-Roos Community Facilities Act of 1982”; being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California. This Community Facilities District shall hereinafter be referred to as “District” and,

WHEREAS, this legislative body, by Ordinance as authorized by Section 53340 of the Government Code of the State of California, has authorized the levy of a special tax to pay the costs and expenses related to said Community Facilities Districts, and this legislative body is desirous to establish the specific rate of the special tax to be collected for the next fiscal year.

NOW THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

SECTION 1. That the above recitals are all true and correct.

SECTION 2. That the specific rate and amount of the special tax to be collected to pay the costs and expenses for the next fiscal year (2013/14) for the referenced District is hereby determined and established as set forth in the referenced and incorporated “City of Scotts Valley Community Facilities District No. 97-1 Fiscal Year 2013/14 Preliminary Annual Report”.

SECTION 3. That the rate as set forth above does not exceed the amount as previously authorized by Ordinance of this legislative body, and is not in excess of that as previously approved by the qualified electors of the District.

SECTION 4. That the proceeds of the special tax shall be used to pay, in whole or in part, the costs of the following:

- A. Payment of principal and interest on any outstanding authorized bonded indebtedness and contractual obligations of the CFD on an annual basis;
- B. Necessary replenishment of bond reserve funds or other reserve funds;
- C. Payment of costs of acquisition and construction of the Scotts Valley Drive project;
- D. Repayment of advances and loans, if appropriate;
- E. Payment of District administrative expenses up to a maximum of \$25,000 per year;
- F. Anticipated delinquencies in the payment of the Special Tax.

The proceeds of the special taxes shall be used as set forth above, and shall not be used for any other purpose.

SECTION 5. The special tax shall be collected in the same manner as ordinary ad valorem property taxes are collected, and shall be subject to the same penalties and same procedure and sale in cases of any delinquency for ad valorem taxes, and the Tax Collector is hereby authorized to deduct reasonable administrative costs incurred in collecting any said special tax.

SECTION 6. All monies above collected shall be paid into the Community Facilities District fund, including any bond fund and reserve fund.

SECTION 7. The Auditor of the County is hereby directed to enter in the next County assessment roll on which taxes will become due, opposite each lot or parcel of land effected in a space marked "public improvements, special tax" or by any other suitable designation, the installment of the special tax, and for the exact rate and amount of said tax, reference is made to the referenced and incorporated "City of Scotts Valley Community Facilities District No. 97-1 Fiscal Year 2013/14 Preliminary Annual Report".

SECTION 8. The County Auditor shall then, at the close of the tax collection period, promptly render to this Agency a detailed report showing the amount and/or amounts of such special tax installments, interest, penalties and percentages so collected and from what property collected, and also provide a statement of any percentages retained for the expense of making any such collection.

Adopted by the City Council of the City of Scotts Valley at an adjourned regular meeting of said Council held on July 17, 2013 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Approved: _____
Randy Johnson, Mayor
City of Scotts Valley

ATTEST: _____
Tracy A. Ferrara, City Clerk
City of Scotts Valley

I hereby certify that the foregoing resolution was duly and regularly passed by the City Council of the City of Scotts Valley at an adjourned regular meeting held on July 17, 2013.

Tracy A. Ferrara, City Clerk