



City Council Report

915 I Street, 1st Floor

Sacramento, CA 95814

www.cityofsacramento.org

File ID: 2021-00716

April 6, 2021

Consent Item 08

Title: Fiscal Year 2019-20 Community Facilities District (CFD) Special Tax Administration Report

Location: Citywide

Recommendation: Pass a Motion to receive and file the Fiscal Year (FY) 2019-20 CFD Special Tax Administration Report.

Contact: Claudia Lara, Treasury Analyst, (916) 808-2267; Brian Wong, Debt Manager, (916) 808-5811, Office of the City Treasurer

Presenter: None.

Attachments:

1-Description/Analysis

2-Fiscal Year 2019-20 CFD Special Tax Administration Report

Description/Analysis

Issue Detail: The attached FY2019-20 CFD Special Tax Administration Report presents construction proceeds information for all CFDs in that fiscal year.

Policy Considerations: Filing the Annual Report will satisfy the SB 165 reporting requirement for special taxes levied and collected for FY2019-20.

Economic Impacts: Not applicable

Environmental Considerations: California Environmental Quality Act (CEQA): Under CEQA Guidelines, the administration of community facilities districts does not constitute a project and is therefore exempt from review (14 Cal. Code Regs. §15378(b)(2)).

Sustainability: Not applicable.

Commission/Committee Action: None.

Rationale for Recommendation: SB 165 reporting requirements stipulate that at least once a year, a report is to be filed with the City Council setting forth the following information:

- a. The amount of special taxes that have been collected and expended.
- b. The status of any project required or authorized to be funded by the special taxes.

This information is included in the attached Annual Report for all CFDs administered by the City that levied a special tax in FY2019-20.

Financial Considerations: There are no financial impacts to any City funds.

Local Business Enterprise (LBE): Not applicable.



Fiscal Year 2019-20

CFD Special Tax Administration

Report

Fiscal Year 2019-20 CFD Special Tax Administration Report

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Senate Bill 165 Reporting Requirement

Senate Bill 165, filed with the Secretary of State on September 19, 2000, enacted the Local Agency Special Tax and Bond Accountability Act. This Act requires that any local special tax/local bond measure subject to voter approval contain a statement indicating the specific purposes of the special tax, requires that the proceeds of the special tax be applied to those purposes, requires the creation of an account into which the proceeds shall be deposited, and requires an annual report containing specified information concerning the use of the proceeds. The Act applies to local bond measures adopted on or after January 1, 2001 in accordance with Section 50075.1 or Section 53410 of the California Government Code.

Some of the requirements of the Act are handled at the formation of the Special Tax District and others are handled through annual reports. This report intends to comply with Section 50075.3 or Section 53411 of the California Government Code that states:

“The chief fiscal officer of the issuing local agency shall file a report with its governing body no later than January 1, 2002, and at least once a year thereafter. The annual report shall contain all of the following:

- (a) The amount of funds collected and expended.
- (b) The status of any project required or authorized to be funded as identified in subdivision (a) of Section 50075.1 or Section 53410.”

Acquisition / Construction Funds

District	Date of Issuance ¹	Initial Deposit	Balance as of 6/30/2020 ²	Expended Amount ³	Project Status
College Square No. 2005-01	10/17/2007	\$9,737,642.75	\$0.00	\$9,737,642.75	Completed
Creamery CFD No. 2015-02	9/28/2017	\$2,933,247.00	\$175,702.86	\$2,757,544.14	Ongoing
Curtis Park CFD No. 2014-02	8/6/2019	\$12,761,215.54	\$5,778,650.28	\$6,982,565.26	Ongoing
Development Fee Financing CFD No. 95-01					
Series A	6/20/1995	\$1,547,103.00	\$0.00	\$1,547,103.00	Completed
Series C	12/16/2004	\$4,731,226.00	\$0.00	\$4,731,226.00	Completed
Granite Park CFD No. 2001-01	6/21/2001	\$7,703,645.00	\$0.00	\$7,703,645.00	Completed
McKinley Village CFD No. 2015-04					
2016	6/1/2016	\$5,550,814.55	\$0.00	\$5,550,814.55	Completed
2020 ⁴	6/17/20	\$3,691,058.02	3,691,058.02	\$0.00	Ongoing
Natomas Central CFD No. 2006-02	10/18/2016	\$19,448,067.60	\$0	\$19,448,067.60	Completed
Natomas Meadows CFD No. 2007-01 (Improvement Area 1)	7/11/2017	\$11,337,588.94	\$0.00	\$11,337,588.94	Completed
Natomas Meadows CFD 2007-01 (Improvement Area 2)	5/16/2019	\$6,643,911.45	\$84,269.40	\$6,559,642.05	Ongoing
North Natomas Basin 8C CFD No. 99-04					
A	8/24/1999	\$2,119,460.00	\$0.00	\$2,119,460.00	Completed
B	8/26/2004	\$3,262,611.05	\$0.00	\$3,262,611.05	Completed
North Natomas CFD 2	12/17/1998	\$6,440,077.00	\$0.00	\$6,440,077.00	Completed
North Natomas CFD 4					
Series A	2/24/1999	\$12,667,300.00	\$4,783.75	\$23,681,744.97	Ongoing
Series B	4/5/2001	\$11,019,228.72			
Series C	10/28/2003	\$26,422,687.92	\$192,227.66	\$26,320,460.26	Ongoing
Series D	11/22/2006	\$22,302,828.62	\$3,146,224.63	\$19,156,603.99	Ongoing
North Natomas Drainage CFD 97-01					
Series A	10/2/1997	\$16,491,478.38	\$324,397.99	\$20,678,868.89	Ongoing
Series B	6/14/2000	\$4,511,788.50			
Series C	3/25/2003	\$5,976,000.00	\$77,500.21	\$5,898,499.79	Ongoing
Series 2005	5/27/2005	\$3,071,927.64	\$797,286.50	\$2,274,641.14	Ongoing
North Natomas Regency Park CFD No. 2001-03	7/24/2003	\$16,920,000.00	\$0.00	\$16,920,000.00	Completed
North Natomas Westlake CFD No. 2000-01	4/11/2001	\$9,905,802.84	\$366,233.22	\$9,539,569.62	Ongoing

¹ Based on Mello-Roos Yearly Fiscal Status Report reported to the California Debt and Investment Advisory Commission.

² Includes Pool A interest earnings.

³ The Expended Amount is understated for ongoing Project Status because the actual amount expended, inclusive of interest earnings, is greater than the listed amount.

⁴ McKinley Village CFD No. 2015-04, Series 2020 priced on 6/19/20 and issued on 7/1/2020.

⁵ Balance to be transferred to separate City fund in FY2020-21.

Pay-As-You-Go Funds

District	6/30/2019 Balance	Pay-Go Levied 2018-19	6/30/2020 Balance ¹	Expended Amount	Project Status
McKinley Village CFD No. 2015-04	\$15,876.86	\$88,314.40	\$88,881.92	\$15,309.34	Ongoing

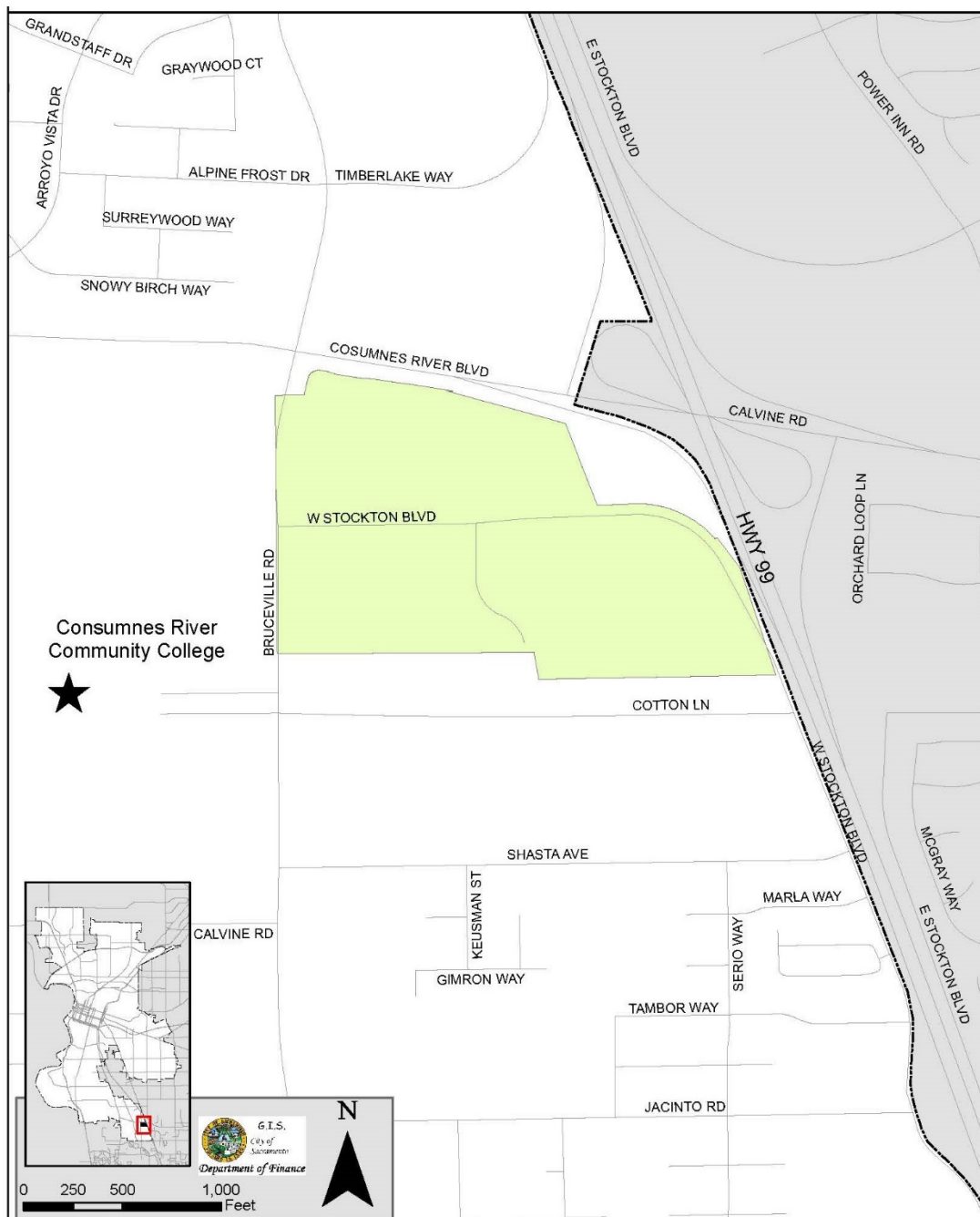
¹Includes Pool A interest earnings.

College Square CFD No. 2005-01

The City of Sacramento formed College Square Community Facilities District No. 2005-01 (the “CFD”) and issued its \$11,465,000 City of Sacramento College Square Community Facilities District No. 2005-01 2007 Special Tax Bonds (the “Bonds”) to finance the acquisition and construction of certain public improvements to help mitigate the impacts on public infrastructure systems of the development expected to take place within the CFD.

Improvements funded by the CFD include roads, water distribution lines, drainage facilities, storm water treatment facilities, sewer lines, public dry utilities, all together with necessary appurtenances.

The CFD matures with the final scheduled debt service payment on September 1, 2037.



Creamery CFD No. 2015-02

The City of Sacramento (the “City”) originally formed Creamery Community Facilities District No. 2015-02 (the “CFD”) and issued its \$3,570,000 City of Sacramento Creamery Community Facilities District No. 2015-02 (Improvements) Special Tax Bonds, Series 2017 (the “Bonds”) to finance the costs of the acquisition and construction of certain facilities, and to finance authorized governmental fees. These fees paid for the costs of facilities including water and storm drain improvements, roadways and traffic improvements, and landscaping and park improvements.

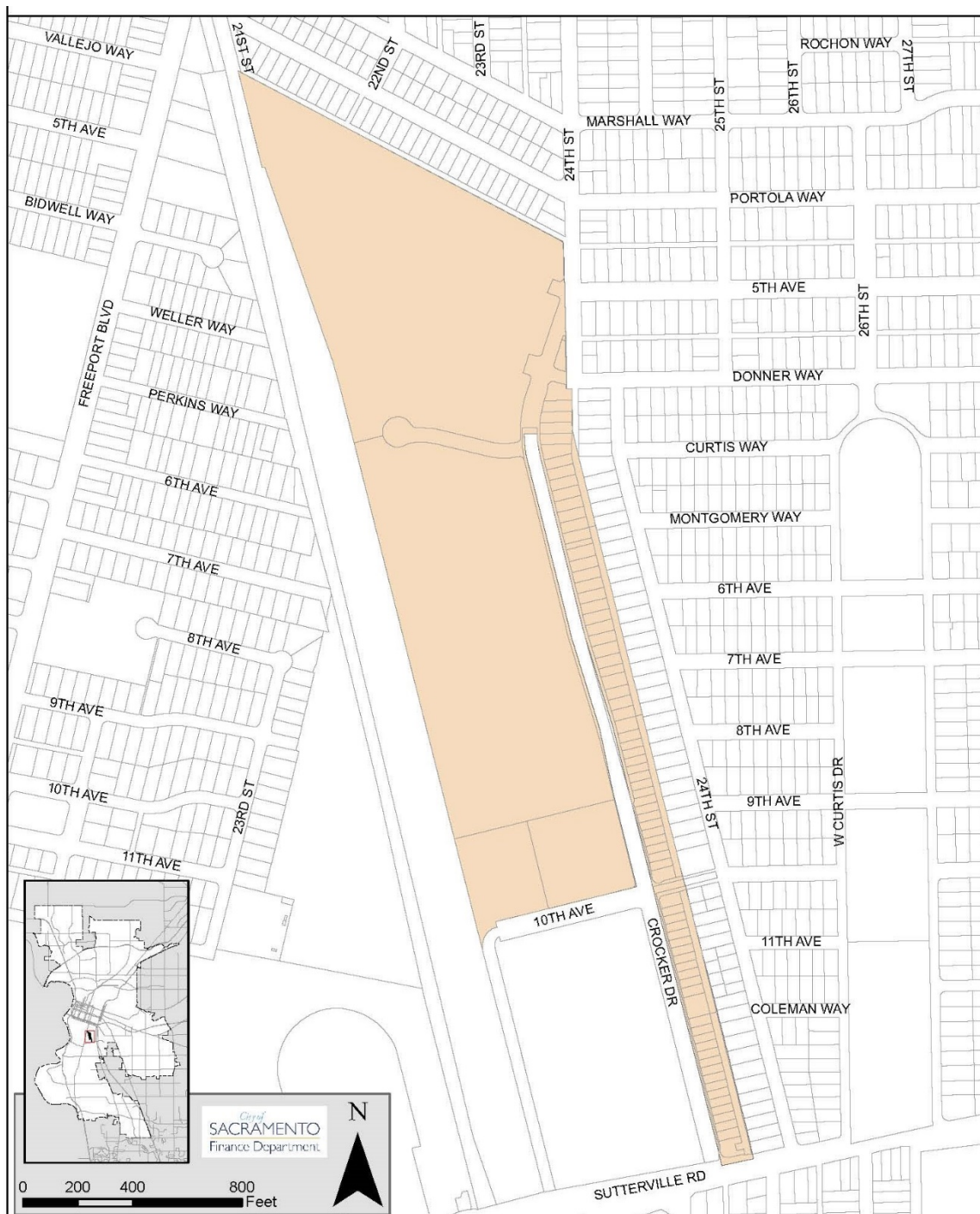
The CFD matures with the final scheduled debt service payment on September 1, 2047.



Curtis Park Village CFD No. 2014-02

The City of Sacramento originally formed Curtis Park Village Community Facilities District No. 2014-02 (the “CFD”) and issued its \$12,245,000 Curtis Park Village Community Facilities District No. 2014-02 (Improvements) Special Tax Bonds, Series 2019 (the “Bonds”) to fund the acquisition and construction of certain public infrastructure improvements and facilities including but not limited to roadway improvements, a pump station, masonry sound walls, grading, drainage, water and sewer improvements, and fees related to infrastructure improvements.

The CFD matures with the final scheduled debt service payment on September 1, 2049.

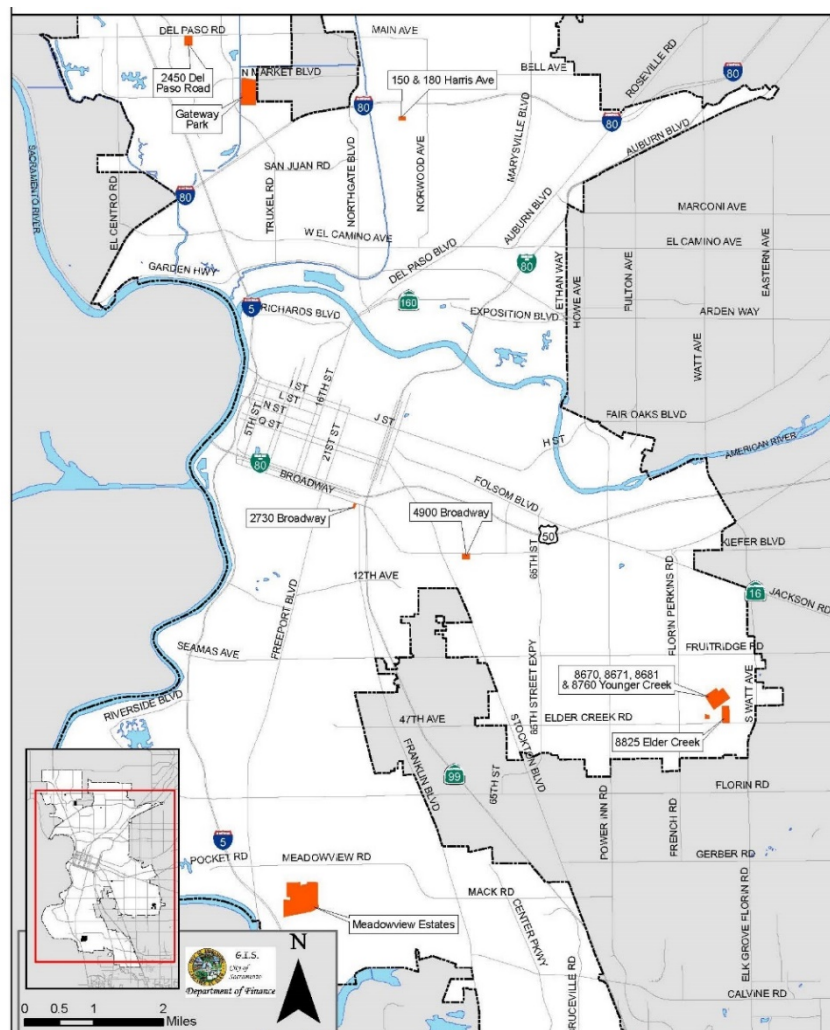


Development Fee Financing CFD No. 95-01

The City of Sacramento (the “City”) formed Development Fee Financing Community Facilities District No. 95-01 (the “CFD”) to finance eligible commercial, industrial, and residential development fees. In 1995, the City issued its \$2,500,000 Development Fee Financing Community Facilities District No. 95-01 Special Tax Bonds Series A (1995). In 1998, the City issued its \$2,515,000 Development Fee Financing Community Facilities District No. 95-01 Special Tax Bonds Series B (1998). In 2005, the City issued its \$1,055,000 Development Fee Financing Community Facilities District No. 95-01 Special Tax Bonds, Refunding Series B (2005) (the "Refunding Series B Bonds") to provide funds to pay for the refunding of the City’s Development Fee Financing Community Facilities District No. 95-01 Special Tax Bonds, Series B (1998).

The City also issued its \$5,300,000 Development Fee Financing Community Facilities District No. 95-01 Special Tax Bonds, Series C (2005) (the “Series C Bonds” and together with the Refunding Series B Bonds, the “Bonds”), to provide funds for the payment of development fees in connection with the acquisition and construction of certain public improvements within Annexation No. 2 of the CFD.

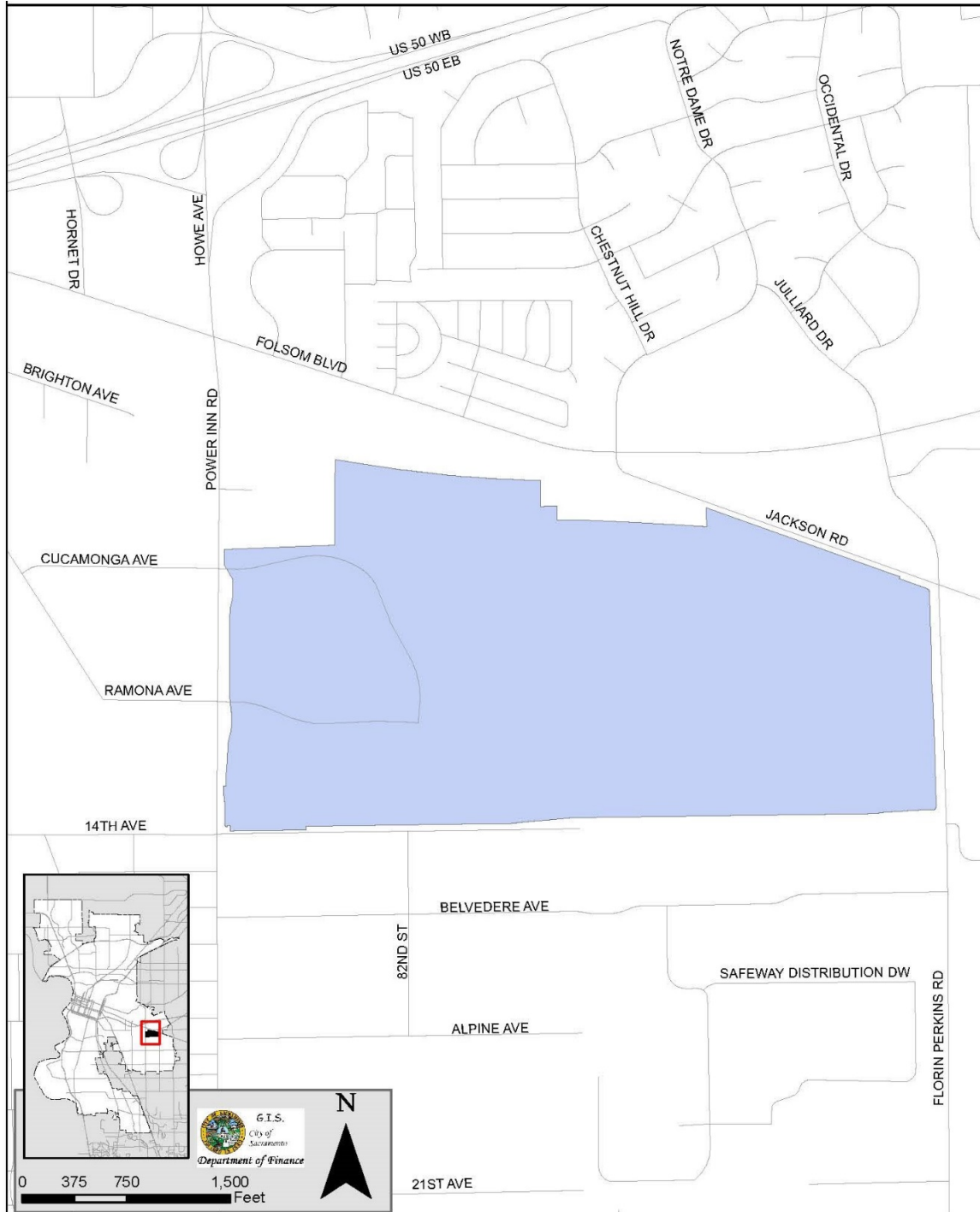
The CFD is currently scheduled to mature with the September 1, 2023 debt service payment.



Granite Park CFD No. 2001-01

The City of Sacramento originally formed Granite Park Community Facilities District No. 2001-01 (the “CFD”) and issued its \$8,860,000 City of Sacramento Granite Park Community Facilities District No. 2001-01 Special Tax Bonds, Series A (the “Bonds”) to pay for certain development fees and the acquisition and construction of certain public water, drainage, sewer, park, and road improvements for the CFD.

The CFD matures with the final scheduled debt service payment on September 1, 2026.

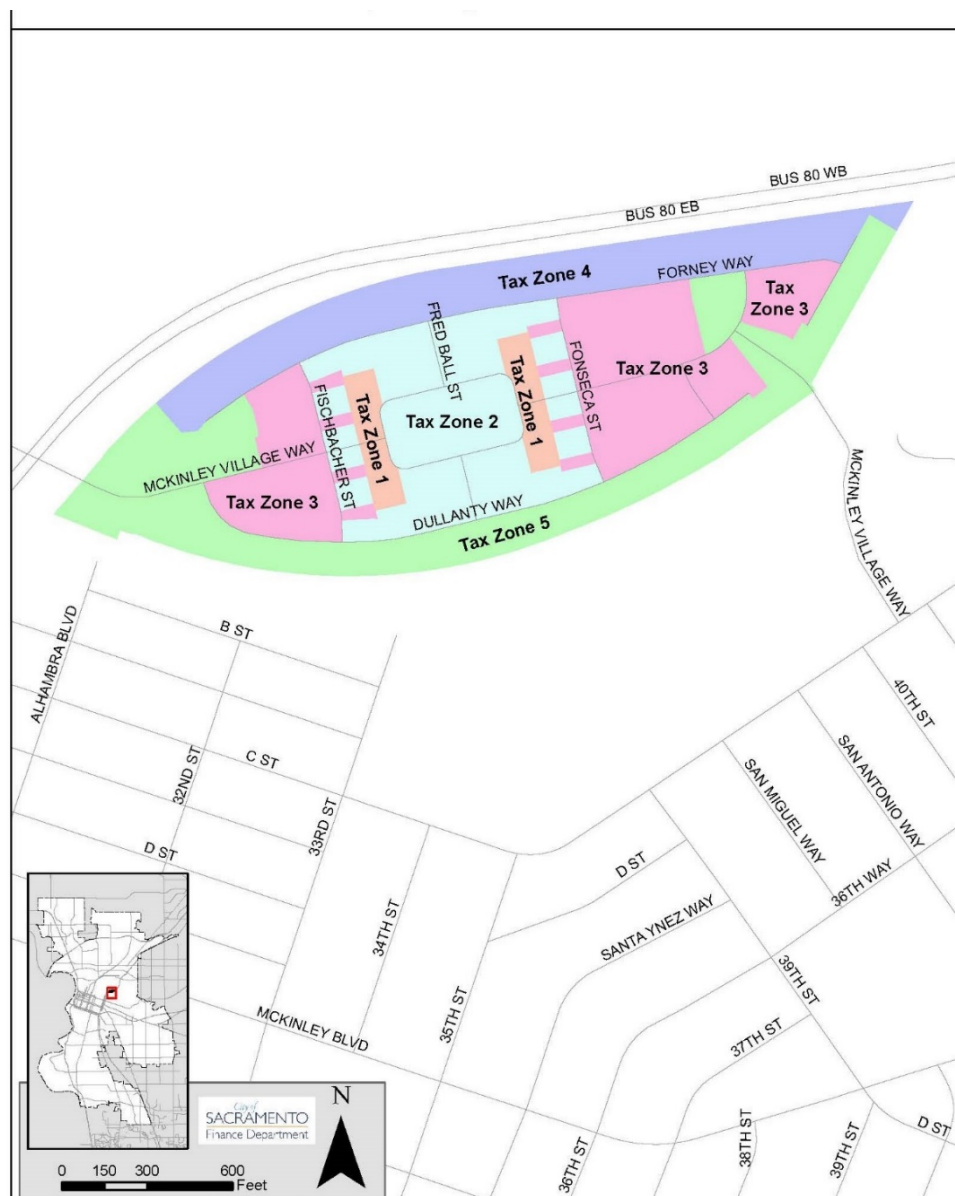


McKinley Village CFD No. 2015-04

The City of Sacramento originally formed the McKinley Village Community Facilities District No. 2015-04 (the “CFD”) and issued its McKinley Village Community Facilities District No. 2015-04 (Improvements) Special Tax Bonds (the “Bonds”) to finance the acquisition and construction of public infrastructure and the payment of development-impact fees used to acquire and construct infrastructure associated with the McKinley Village residential development. Par amount of the Bonds issued was \$6,610,000 and the Bonds were sold as a private placement.

The Prior Bonds were refunded in July of 2020 by the \$8,540,000 City of Sacramento McKinley Village Community Facilities District No. 2015-04 (Improvements) Special Tax Bonds Series 2020 (the “Bonds”).

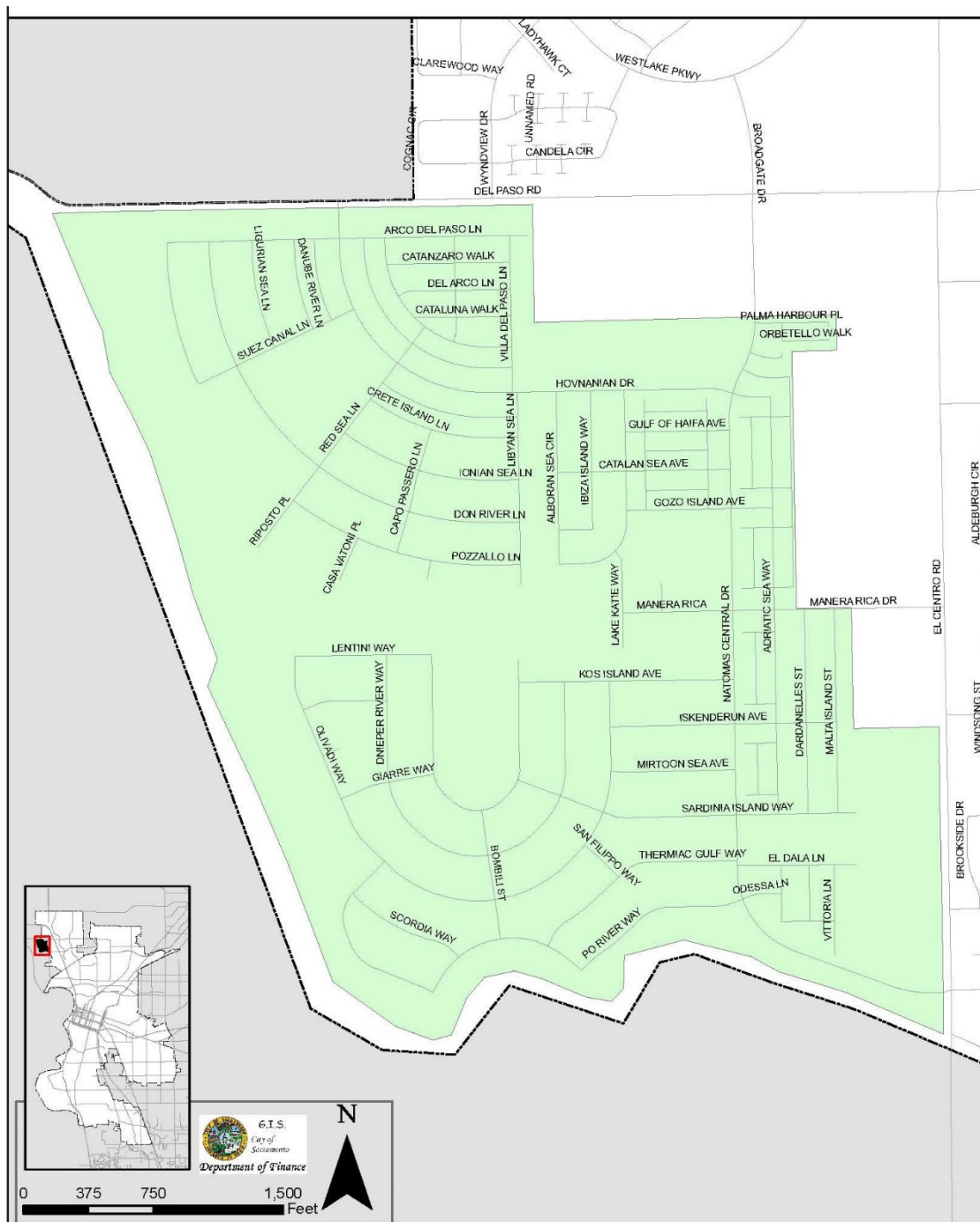
The CFD is scheduled to mature with the final scheduled debt service payment on September 1, 2046. The Acquisition and Shortfall Agreement allows the developer to be reimbursed for \$10 million between bond proceeds and pay-go funds. No additional new-money bonds will be issued for this CFD; however, pay-go may run until FY 2035-36.



Natomas Central CFD No. 2006-02

The City of Sacramento originally formed the Natomas Central Community Facilities District No. 2006-02 (the "CFD") and issued its \$20,030,000 Natomas Central Community Facilities District No. 2006-02 Special Tax Bonds, Series 2016 (the "Bonds") to finance the acquisition and construction of certain facilities and to finance governmental fees including water and storm drain improvements, detention basins, roadways and traffic improvements, landscaping and open space improvements, in addition to other improvements authorized under the Acquisition Agreement.

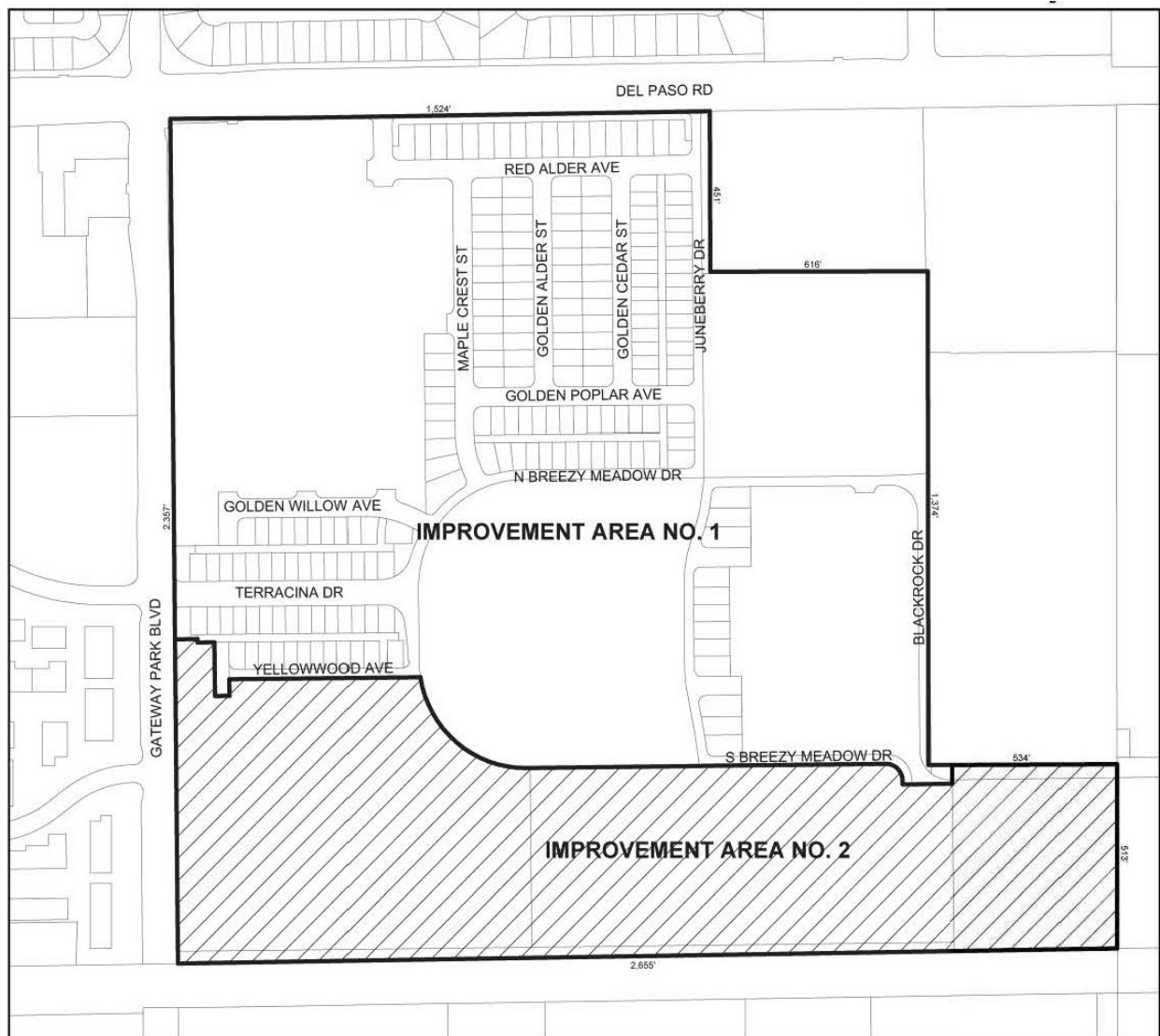
The CFD is currently scheduled to mature with the final scheduled debt service payment on September 1, 2046.



Natomas Meadows CFD No. 2007-01 (Improvement Area 1)

The City of Sacramento originally formed the Natomas Meadows Community Facilities District No. 2007-01 (the “CFD”) and issued its \$12,295,000 Natomas Meadows Community Facilities District No. 2007-01 (Improvement Area No. 1) Special Tax Bonds, Series 2017 (the “Bonds”), to finance the acquisition and construction of certain facilities and to finance governmental fees including water and storm drain improvements, roadways and traffic improvements, landscaping and park improvements, in addition to other improvements authorized under the Acquisition Agreement.

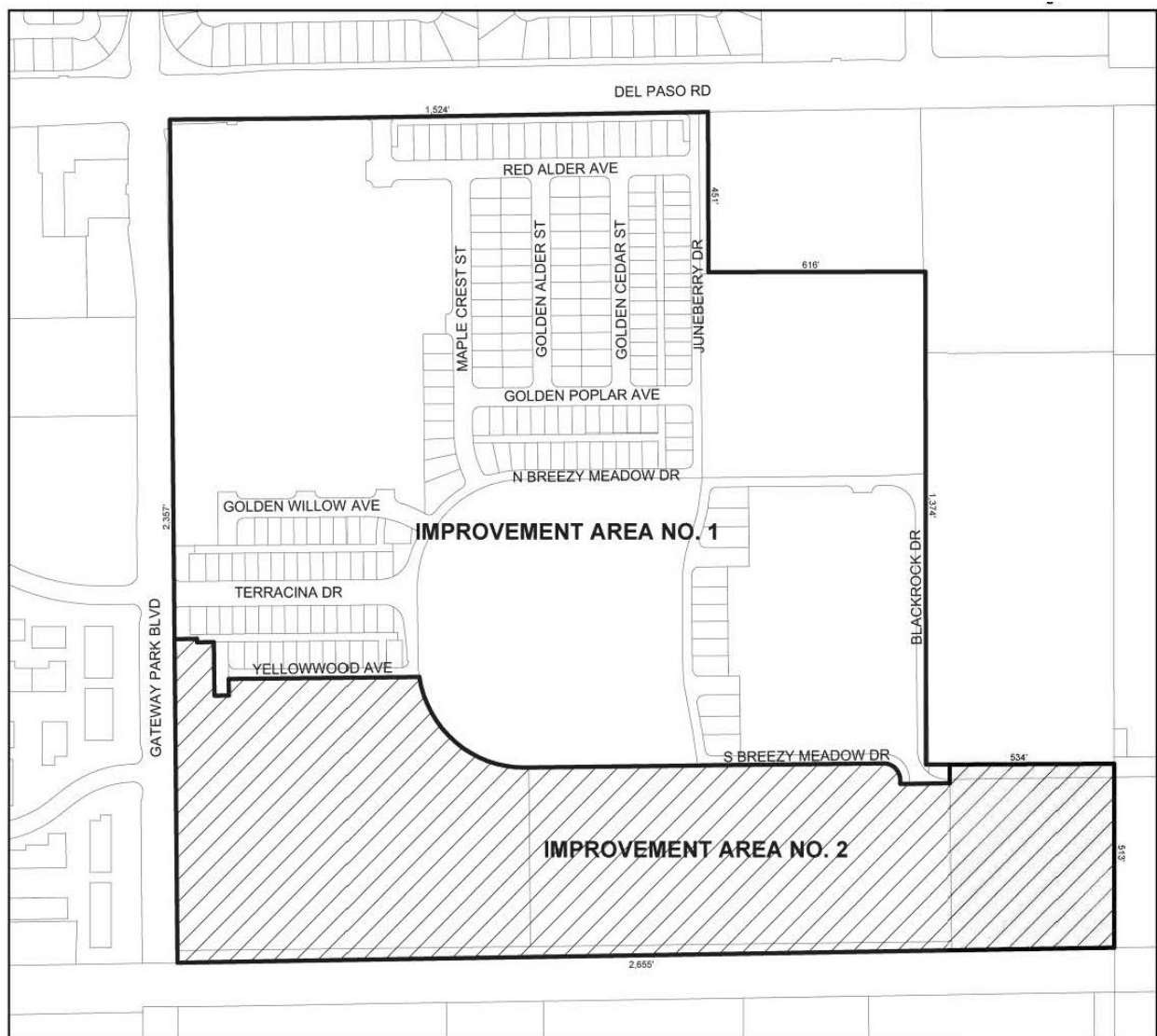
The CFD is currently scheduled to mature with the final debt service payment on September 1, 2047.



Natomas Meadows CFD No. 2007-01 (Improvement Area 2)

The City of Sacramento formed the Natomas Meadows Community Facilities District No. 2007-01 (the “CFD”) and issued its \$6,855,000 Natomas Meadows Community Facilities District No. 2007-01 (Improvement Area No. 2) Special Tax Bonds, Series 2019 (the “Bonds”), to finance the acquisition and construction of certain facilities and to finance governmental fees including water and storm drain improvements, roadways and traffic improvements, landscaping and park improvements, in addition to other improvements authorized under the Acquisition Agreement.

The CFD is currently scheduled to mature with the final debt service payment on September 1, 2049.

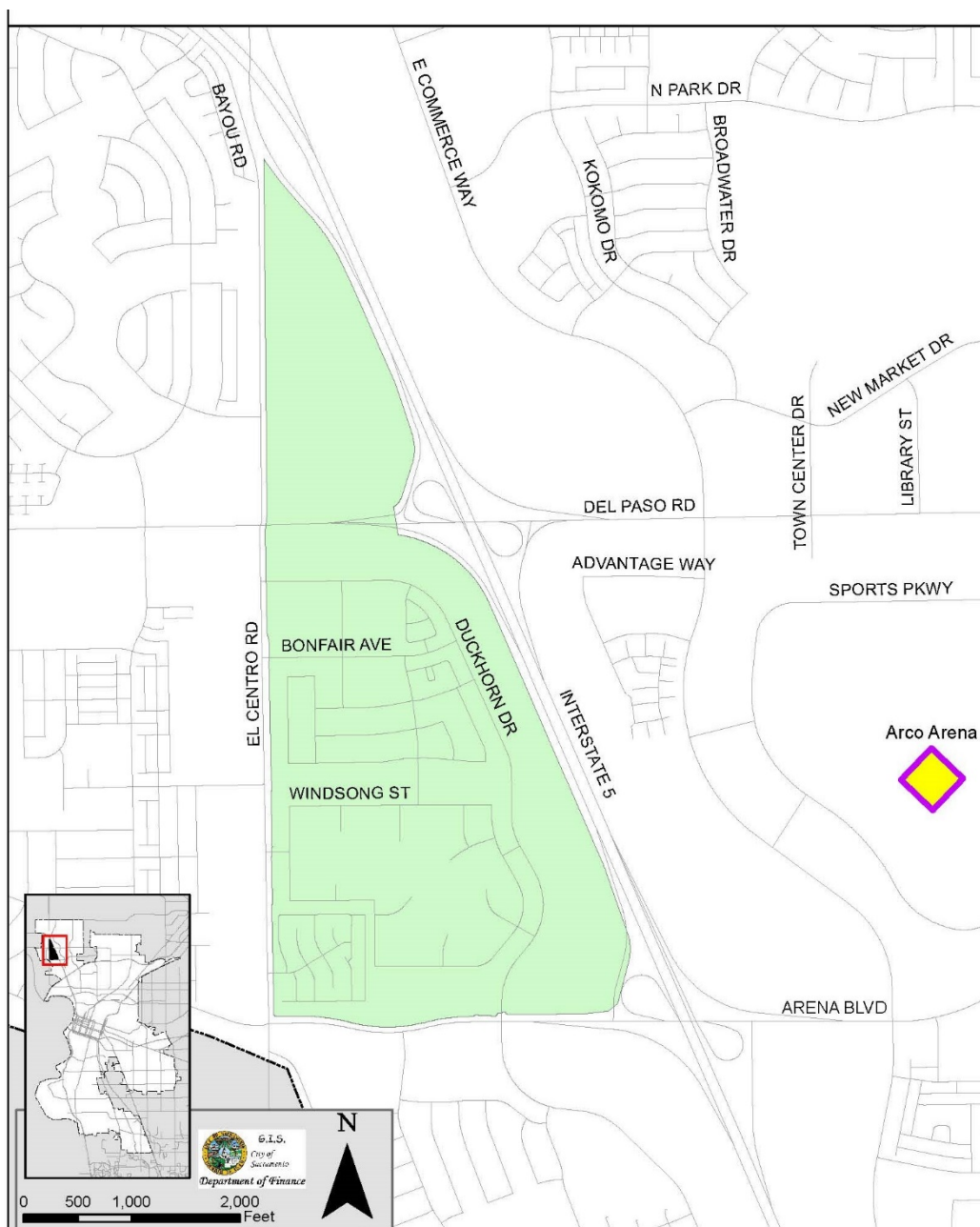


North Natomas Basin 8C CFD No. 99-04

The City of Sacramento originally formed North Natomas Basin 8C Community Facilities District No. 99-04 (the “CFD”) and issued its \$2,805,000 North Natomas Basin 8C CFD No. 99-04 City of Sacramento, County of Sacramento, State of California Special Tax Bonds, Series A (1999) and \$3,790,000 North Natomas Basin 8C CFD No. 99-04 City of Sacramento, County of Sacramento, State of California Special Tax Bonds, Series B (2004) (the “Prior Bonds”) to fund the acquisition and construction of certain storm water conveyance facilities within the CFD and the payment of certain costs incidental to or connected with such acquisition and construction.

The Prior Bonds were refunded in January of 2016 by the \$3,045,000 City of Sacramento Combined Refunding of CFD 99-04 Series A & B (the “Bonds”), which were issued as a private placement.

The CFD matures with the final scheduled debt service payment on September 1, 2034.



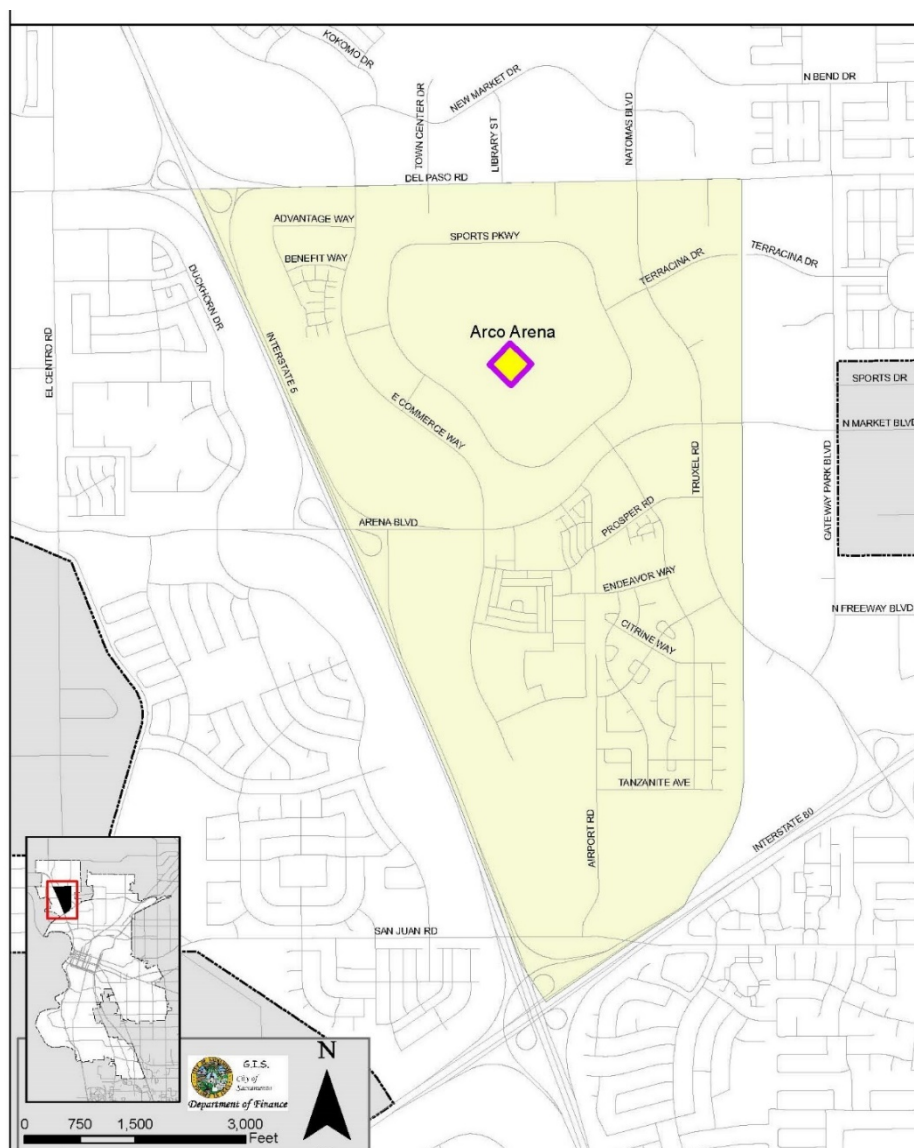
North Natomas CFD No. 2

The City of Sacramento (the "City") originally formed North Natomas Community Facilities District No. 2 (the "CFD") inclusive of North Natomas Drainage Basins 5 and 6.

The Sacramento City Financing Authority issued its North Natomas Community Facilities District No. 2 (the "CFD") Series A Bonds for the purpose of purchasing \$4,995,000 principal amount of the 1999 CFD Bonds and financing the acquisition of the Project Lease in the amount of \$2,910,000, all for the purpose of providing financing for public capital improvements for the benefit of the CFD.

In 2016, the Site Lease and Project Lease, both dated January 1, 1999, associated with the Sacramento City Financing Authority Revenue Bonds, North Natomas CFD No. 2, Series A were terminated, and the outstanding bonds were recharacterized to CFD Series B Bonds, following the transfer of the Stadium Property from the City to the Sacramento Kings NBA franchise ownership.

The CFD is scheduled to mature with the final debt service payment on September 1, 2023.



North Natomas CFD No. 4

The City of Sacramento formed North Natomas Community Facilities District No. 4 (the “CFD”) and issued its CFD Bonds, Series A through D, to provide funds to pay for the acquisition and construction of certain public improvements to serve property located within the CFD. Improvements included necessary drainage facilities for Basins 1, 2 and 4.

In 1999, the City issued its North Natomas Community Facilities District No. 4 City of Sacramento, County of Sacramento, State of California Special Tax Bonds, Series A in the amount of \$16,215,000 to fund the following projects and costs: (1) interim detention basin, trunk drainage, additional authorized facilities, habitat conservation plan (HCP) fees, and related costs in Tax Zone IA and (2) common drainage facilities, pump station, trunk drainage, water quality basin landscaping, land acquisition, additional authorized facilities, HCP fees, and related costs in Tax Zone IV.

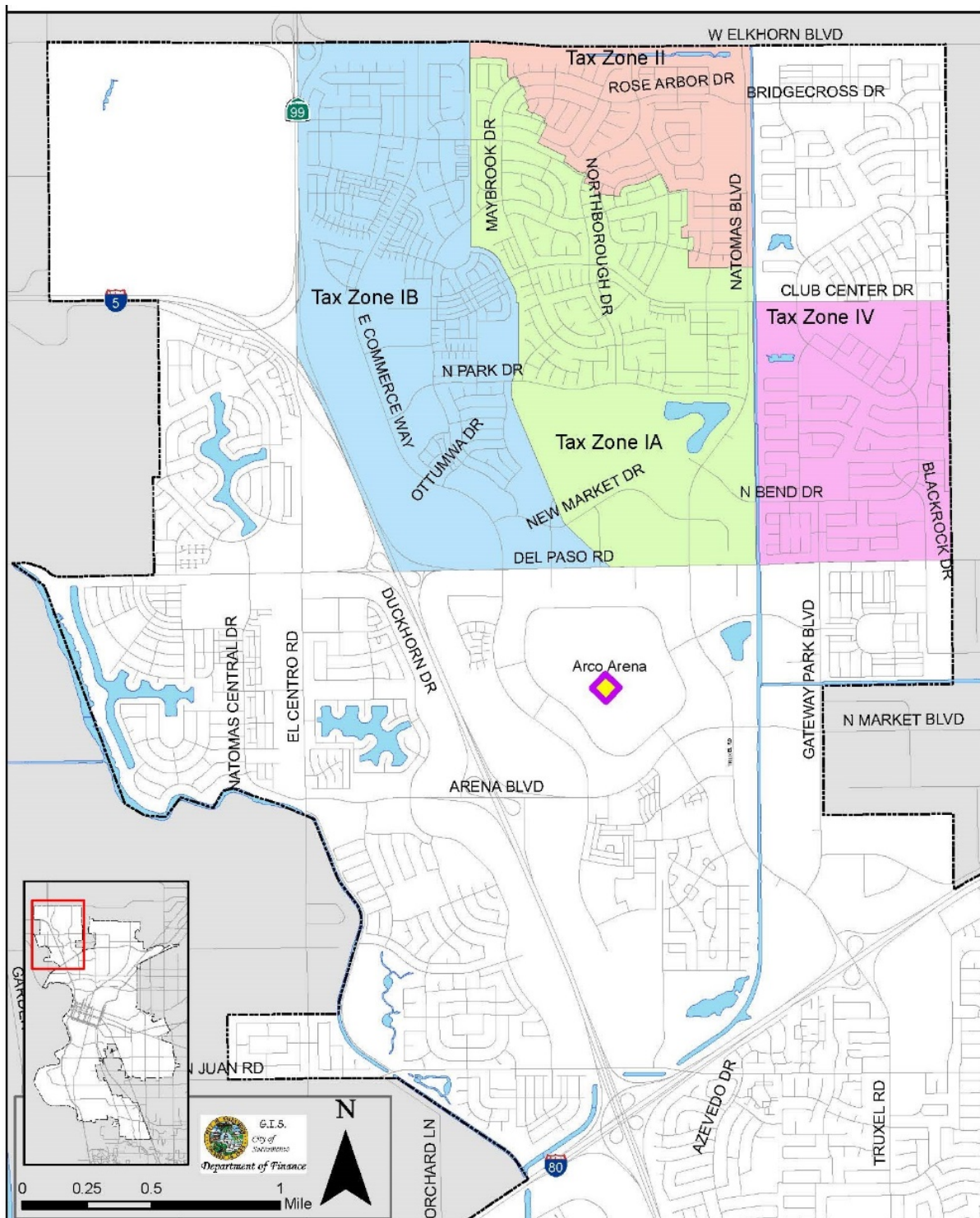
In 2001, the City issued Series B Bonds in the amount of \$12,750,000 to fund the following projects and costs: (1) detention basin, trunk drainage, pump station, land acquisition, channel project, and related costs in Tax Zone IA and (2) detention basin, pump station, trunk drainage, other authorized facilities, and related costs in Tax Zone IV.

In 2003, the City issued Series C Bonds in the amount of \$29,765,000 to fund the following projects and costs: (1) detention basin, drainage channel, pump station, trunk drainage, land acquisition, secondary facilities, and related fees and costs in Tax Zones IA and IB, (2) detention basin, pump station, trunk drainage, land acquisition, secondary facilities, and related costs in Tax Zone II, and (3) detention basin, pump station, trunk drainage, land acquisition, secondary facilities, and related costs in Tax Zone IV.

In 2006, the City issued the final series of new-money bonds associated with CFD 4 – Series D, in the amount of \$26,210,000 to fund the following projects and costs: (1) detention basin, drainage channel, pump station, trunk drainage, land acquisition, secondary facilities, and related costs in Tax Zones IA and IB, (2) detention basin, pump station, trunk drainage, land acquisition, secondary facilities, and related costs in Tax Zone II, and (3) detention basin, pump station, trunk drainage, land acquisition, secondary facilities, and related costs in Tax Zone IV.

On July 25, 2013, Series A, B and C of the CFD Bonds were refunded with the issuance of the \$46,075,000 North Natomas Community Facilities District No. 4 Special Tax Refunding Bonds, Series E (2013). Additionally, on July 9, 2015, Series D of the CFD Bonds was refunded with the issuance of the \$21,110,000 North Natomas Community Facilities District No. 4 Special Tax Refunding Bonds Series F (2015). The Series E and Series F bonds are together referred to in this report as “the Bonds.”

The CFD is currently scheduled to mature with the final scheduled debt service payment on September 1, 2033.

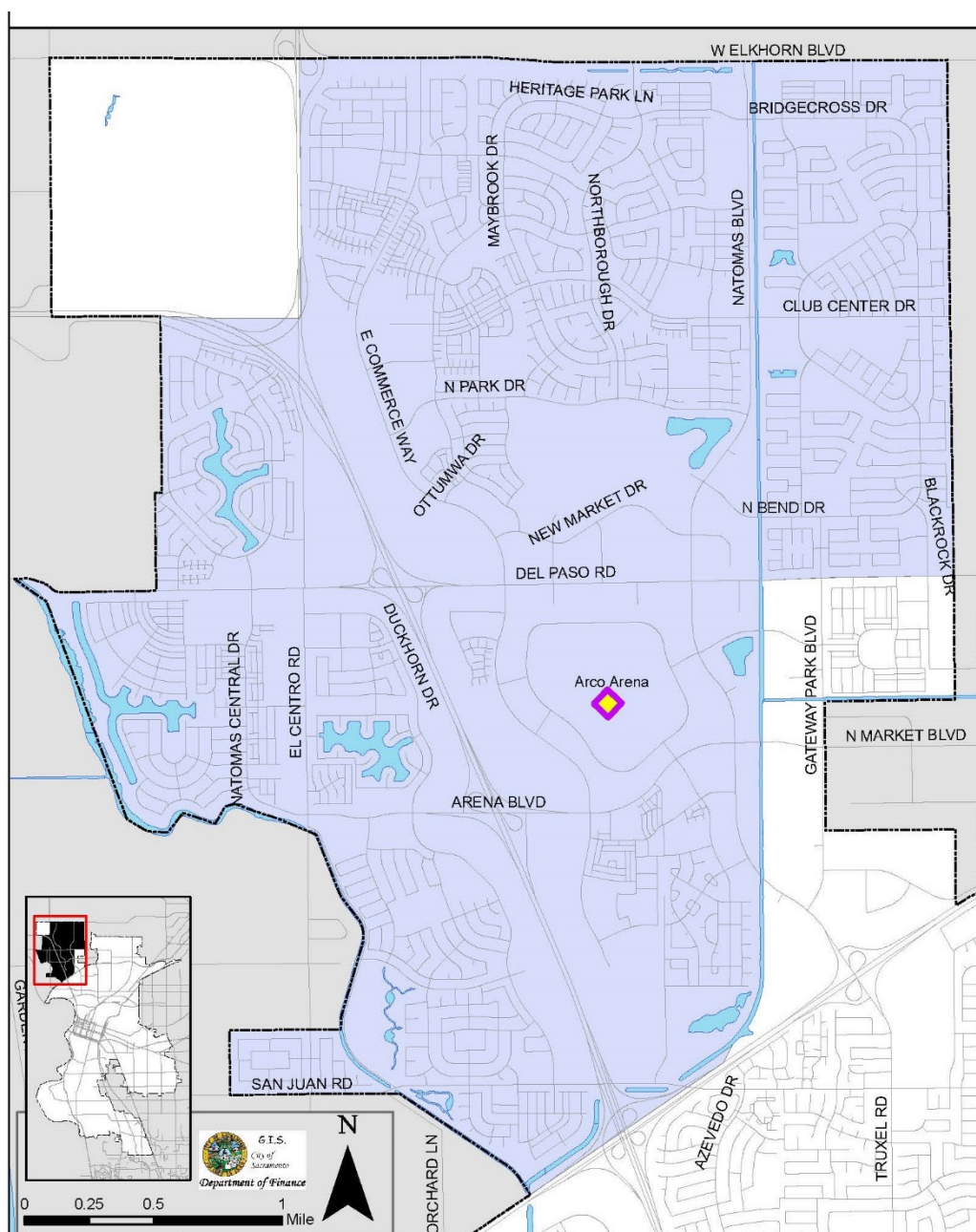


North Natomas Drainage CFD No. 97-01

The City of Sacramento (the “City”) originally formed North Natomas Drainage Community Facilities District No. 97-01 (the “CFD”) to fund storm drainage improvements that would replace the internal 100-year flood plain designation and provide capacity in the Reclamation District 1000 canal system for the additional runoff caused by new development.

In 2005, the City issued its 2005 Series special tax bonds to refund the three series of special tax bonds previously issued by the City on behalf of the CFD to finance the acquisition and construction of certain drainage facilities within in the CFD. Par amount of the refunding Bonds issued was \$35,460,000.

In 2015, the City then issued its 2015 Series special tax bonds (the “Bonds”) to refund the 2005 Series special tax bonds. Par amount of the 2015 refunding Bonds issued was \$24,325,000. The CFD matures with the final scheduled debt service payment on September 1, 2035.

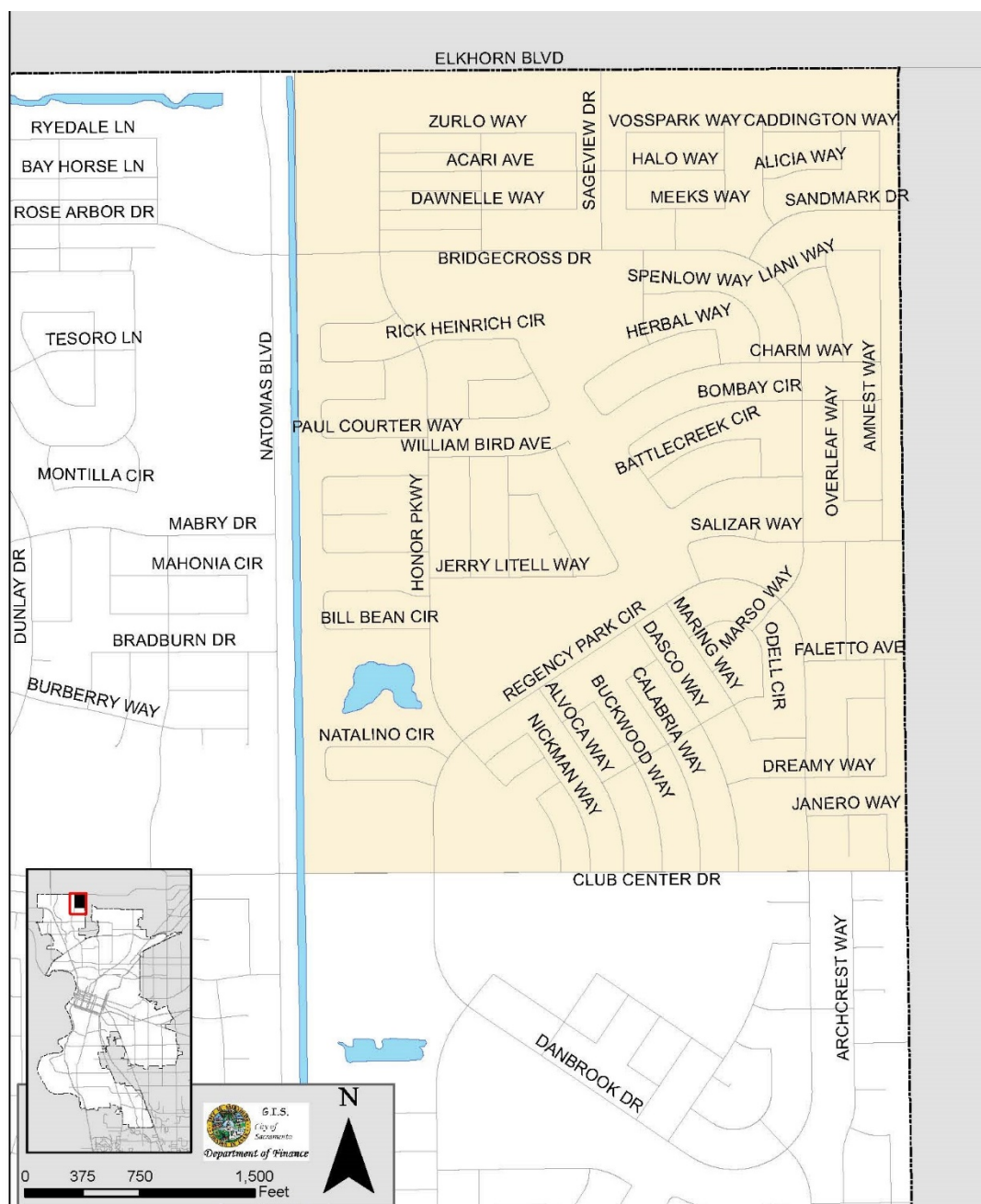


North Natomas Regency Park CFD No. 2001-03

The City of Sacramento formed North Natomas Regency Park Community Facilities District No. 2001-03 (the "CFD") to pay for Primary Facilities (and Secondary Facilities if deemed eligible for funding) in the CFD, including without limitation, drainage facilities; including detention basins, pump stations, pipelines and channels (together with related bridges, culverts and headwalls) and roads; sanitary sewer trunk and interceptor lines; park landscaping; landscaping and sound walls in landscape corridors; and public dry utilities and habitat conservation fees.

Along with the North Natomas Westlake CFD, the CFD was refunded on January 29, 2013 with the issuance of the \$23,525,000 Sacramento City Financing Authority 2013 Special Tax Refunding Revenue Bonds (Westlake and Regency Park) Series A.

The CFD matures with the final scheduled debt service payment on September 1, 2028.



North Natomas Westlake CFD No. 2000-01

The City of Sacramento originally formed North Natomas Westlake Community Facilities District No. 2000- 01 (the “CFD” or “Westlake CFD”) to fund the acquisition and construction of certain public improvements including a storm water detention basin, trunk drainage canals for the conveyance of storm water and (through funding of public facilities fees and City-wide park fees) improvements to Del Paso Road and the construction of Westlake Community Park.

Along with the North Natomas Regency Park CFD, the CFD was refunded on January 29, 2013 with the issuance of the \$23,525,000 Sacramento City Financing Authority 2013 Special Tax Refunding Revenue Bonds (Westlake and Regency Park) Series A (the “Bonds”).

The CFD matures with the final scheduled debt service payment on the Westlake CFD Bonds on September 1, 2026.

