

RESOLUTION NO. 2014-021

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REEDLEY DETERMINING SPECIAL TAX RATES FOR FISCAL YEAR 2014-2015 FOR THE CITY OF REEDLEY COMMUNITY FACILITIES DISTRICT NO. 2005-1 (PUBLIC SERVICES)

WHEREAS, in proceedings heretofore conducted by this Council pursuant to the Mello-Roos Community Facilities Act of 1982, Section 53311 et seq. of the California Government Code (the "Law"), this Council on November 8, 2005, adopted a resolution entitled "A Resolution of the City Council of the City of Reedley Declaring Results of Special Election and Directing Recording of Notice of Special Tax Lien" finalizing the formation of the City of Reedley Community Facilities District No. 2005-1 (Public Services) (the "District") pursuant to the Mello-Roos Community Facilities Act of 1982, California Government Code Section 53311 et seq. (the "Law");

WHEREAS, the City Clerk executed and caused to be recorded in the office of the County Recorder of the County of Fresno a notice of special tax lien in the form required by the Law.

WHEREAS, Maximum Special Tax Rates were established as follows:

Category I includes each Developed Parcel within the District for which a building permit has been issued prior to July 1 of the current Fiscal Year. Said Maximum Special Tax shall increase each Fiscal Year thereafter by an inflation factor which is the Annual All Urban Consumer Price Index (CPI) for the San Francisco-Oakland-San Jose area.

TABLE 1 MAXIMUM SPECIAL TAX FISCAL YEAR 2014-15 CATEGORY I Special Tax Per Dwelling Unit / Acre	
DEVELOPMENT TYPE	SPECIAL MAXIMUM TAX RATE
Single Family Residential (per dwelling unit)	\$ 886.00
Multi-Family Residential (per dwelling unit)	\$ 659.00
Non-Residential (per gross building square foot)	\$ 0.24
Affordable Housing (per dwelling unit)	\$ 447.00
Infill Non Residential (per building square foot)	\$ 0.12

Category II includes each Parcel within the District that is not included in Category I.

The Maximum Special Tax that may be levied annually on Taxable Property in Category II beginning with the Fiscal Year starting July 1, 2014 ending June 30, 2015 is as set forth in Table 2 below per Net Developable Acre (said amount to be levied pro-rata for any portion of an acre). Said special tax shall increase each Fiscal Year thereafter by an inflation factor which is the Annual All Urban Consumer Price Index (CPI) for the San Francisco-Oakland-San Jose area.

TABLE 2 MAXIMUM SPECIAL TAX FISCAL YEAR 2014-15 CATEGORY II Special Tax Per Net Developable Acre	
\$ 719.00 per acre	

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF REEDLEY AS FOLLOWS:

1. The following Special Tax Rates shall be levied for the ensuing 2014-2015 fiscal year on all eligible properties in the District per the Rate and Method of Special Tax.

ADOPTED SPECIAL TAX FISCAL YEAR 2014-15 CATEGORY I Special Tax Per Dwelling Unit / Acre	
DEVELOPMENT TYPE	SPECIAL TAX RATE
Single Family Residential (per dwelling unit)	\$ 886.00
Multi-Family Residential (per dwelling unit)	\$ 659.00
Non-Residential (per gross building square foot)	\$ 0.24
Affordable Housing (per dwelling unit)	\$ 447.00
Infill Non Residential (per building square foot)	\$ 0.12

ADOPTED SPECIAL TAX FISCAL YEAR 2014-15 CATEGORY II Special Tax Per Net Developable Acre
\$ 719.00 per acre

2. This Resolution shall take effect upon its adoption.

This Resolution was duly passed, approved, and adopted by the City Council of the City of Reedley this 22nd day of April, 2014 by the following vote:

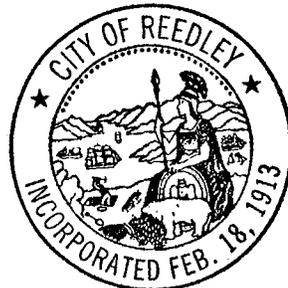
- AYES: Soleno, Rodriguez, Betancourt, Fast, Beck.
- NOES: None.
- ABSENT: None.
- ABSTAIN: None.

Robert O. Beck

Robert O. Beck, Mayor

ATTEST:

Sylvia Plata
 Sylvia Plata, City Clerk





MEMORANDUM

Jose L. Garza
OFFICE OF THE CHIEF OF POLICE
843 "G" Street
Reedley, CA 93654

Date: April 8, 2014
To: Paul Melikian, Director of Administrative Services
From: Jose L. Garza, Chief of Police 
Subject: Community Facility District Budget Needs : 2014 - 2015 Fiscal Year

In review of the estimation of housing being assessed in the 2014 - 2015 fiscal year, it was determined that 446 new single family parcels, 108 Affordable Housing Units and an additional 95 Multi-family Units would be part of that assessment. In determining the impact, the new housing would have on the police department we calculated that the City of Reedley would grow by a population of approximately 2,271 new residents. This calculation was derived from utilizing the state average of 3.5 population increase per home. The police department responded to approximately 23,200 calls for service in 2013 (1.06 calls per resident), which increased as compared to 2011 when approximately 20,332 calls for service were received. The increase of housing, if all homes were occupied, would increase the population to 26,771 which means the police department would respond to approximately 1.1 calls for service for each resident once per year.

In calculating the cost, for police services it was determined that our calls for service would increase by 2,498 calls for service. On average each call costs the police department \$260.26 for a total cost of \$655,125.

The cost would include the time required for an officer to handle incident, dispatching time, records clerk input time, fuel cost, supervision, etc. The cost is a very conservative figure, which does not take into account increased normal preventive patrol time associated with each new resident, increased traffic created by residents and commuter traffic frequenting the commercial establishments.



CITY OF REEDLEY

Fire Administration

1060 D Street, Reedley CA 93654

Jerald K. Isaak, Fire Chief

MEMORANDUM

DATE: April 09, 2014

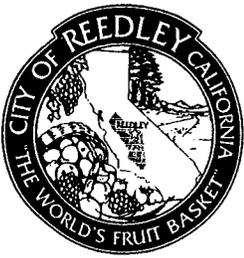
TO: Paul Melikian, Administrative Services Director

SUBJECT: Community Facilities District Projected Expenditures FY 2014/2015

The CFD as adopted per Resolution 2005-109 and governed by Section 53311.5 of the Government Code of the State of California (The Act) specifically states that the first priority for the funds are for fire and emergency medical services, then police and public safety, and finally park maintenance. More specifically: (i) fire protection and suppression services; (ii) emergency medical services including ambulatory services; (iii) community information with regard to public safety; (iv) earthquake and other emergency relief programs; (v) other public safety services, including police protection services, authorized to be funded under Section 53313(a) or (b) of The Act; (vi) park operation and maintenance expenses; and, (vii) repair and replacement of park facilities.

Based on current estimates, the City of Reedley anticipates there will be 446 homes, 95 multi-family units, 108 affordable housing units and 8 commercial properties within the Community Facilities District for the 2014/2015 Fiscal Year. The impact on the Fire Department to provide services for the district is estimated to be \$123,352.00. This is based on applying Fire Department personnel costs and associated operating expenses for administration, equipment, training, planning and maintenance to respond within the district. Any balance is reserved to provide an allowable buffer and funding of future Fire Department services and maintenance.

Respectfully submitted



City of Reedley

Public Works Department
1733 Ninth Street
Reedley, CA 93654
(559) 637-4200
FAX 637-2139

April 8, 2014

To: Paul Melikian, Director of Administrative Services

Dear Mr. Melikian

Re: Community Facilities District- Parks Maintenance Services

The City of Reedley anticipates that approximately 446 single family units, 95 multiple family units, 108 Affordable Housing Units, and 118,197 square feet of non-residential will be served under the CFD in the 2014-2015 budget year.

In review of services provided, it is determined that the Parks Maintenance Department will provide said residents services in excess of \$46,845 for the 2014-15 fiscal year. This amount was calculated by applying the cost of personnel (part time and full time parks maintenance workers), equipment, fuel, and vehicle maintenance costs.

Respectfully submitted,

Russ Robertson
Public Works Director



City of Reedley

Memo

To: Paul Melikian, Director of Finance & Administrative Services
From: Darlene Mata, Planning Consultant *DM*
Date: 4/8/2014
Re: CFD Administrative Costs

The following time is associated with each processing of a CFD annexation. It is estimated that we will process two per year. The incurs costs of approximately \$4,200 dollars of staff time based on current years salaries to process two CFD annexation per year and to assemble and report the new assessments to the Fresno County Assessor's office. The City utilizes a consultant, Community Economic Solutions, to prepare the reports to the County at a cost of \$5,500. The remaining \$640 is allocated to City Attorney review of recorded annexations.

Total costs for administration of the Community Facility District is \$10,340.

Databases, Tables & Calculators by Subject

FONT SIZE: 60

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Data extracted on: April 8, 2014 (3:10:10 PM)

Consumer Price Index - All Urban Consumers

Series Id: CUURA422SA0
 Not Seasonally Adjusted
Area: San Francisco-Oakland-San Jose, CA
Item: All items
Base Period: 1982-84=100

Download: .xls

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2012		236.880		238.985		239.806		241.170		242.834		239.533	239.650	238.099	241.201
2013		242.677		244.675		245.935		246.072		246.617		245.711	245.023	243.894	246.152

2,24%

TOOLS

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www.bls.gov | Telephone: 1-202-691-5200 | TDD: 1-800-877-8339 | [Contact Us](#)

**Annexation Map No. 9
COMMUNITY FACILITIES DISTRICT NO. 2005-1
(CITY OF REEDLEY)
COUNTY OF FRESNO
STATE OF CALIFORNIA**



-  Proposed Annexation Area
-  Current Boundary
-  Future Annexation Area (City Limits)

Reference is hereby made to that certain map entitled "Proposed Boundary Map of the Community Facilities District No. 2005-1 (Public Services), City of Reedley, County of Fresno, State of California" filed the 12th day of October, 2005, at the hour of 4:00 o'clock p.m., in Book 41 of Maps of Assessment and Community Facilities District at Page 58, (document no. 024171900) in the office of the County Recorder of the County of Fresno, State of California, which this Annexation Map affects.

Filed in the office of the City Clerk of the City of Reedley this 13th day of March, 2014.

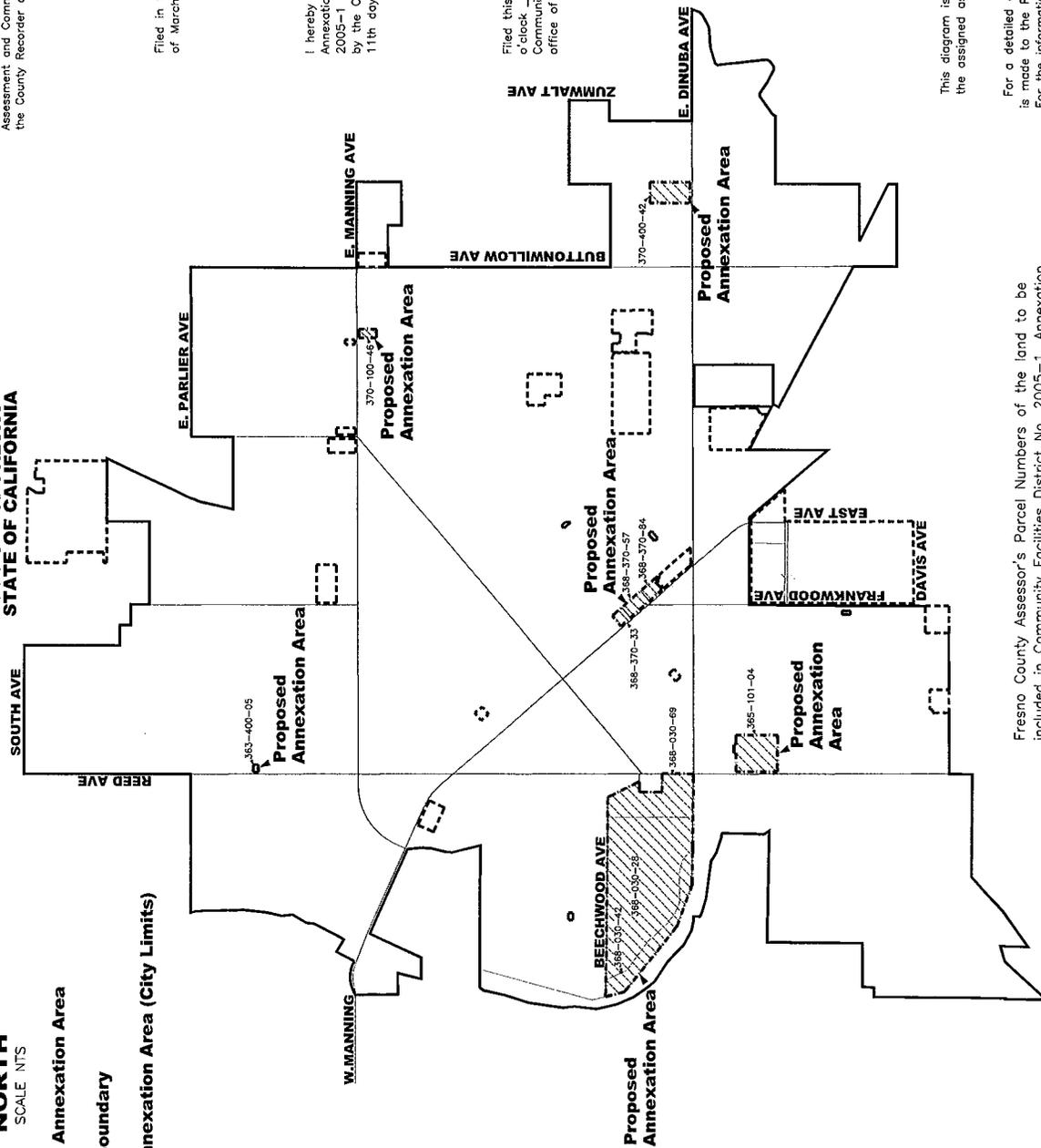
By: Sylvia Plata, City Clerk

I hereby certify that the within map showing proposed boundaries of Annexation No. 8 to the City of Reedley Community Facilities District No. 2005-1 (Public Services), County of Fresno, State of California, was approved by the City Council of the City of Reedley, at a meeting thereof, held on the 11th day of March, 2014, by its Resolution No. 2014-019.

By: Sylvia Plata, City Clerk

Filed this _____ day of _____, 2014, at the hour of _____ o'clock _____ m., in the Book _____ Page _____ of Maps of Assessment and Community Facilities Districts and as instrument No. _____ in the office of the County Recorder in the County of Fresno, State of California.

Paul Dictos
County Recorder
County of Fresno
State of California
By: Deputy County Recorder



NOTE:

This diagram is only for the purpose of indicating the lots being assessed, the assigned assessment numbers for said lots and the relationship to the surrounding streets.

For a detailed description of the lines and dimension of the lots, reference is made to the Fresno County Assessor's Maps for the fiscal year 2013-2014. For the information on the streets and other appurtenant lines and dimensions within the subdivided area reference is made to the filed final tract maps.

Fresno County Assessor's Parcel Numbers of the land to be included in Community Facilities District No. 2005-1, Annexation Map No. 9: 370-400-42, 370-100-46, 363-400-05, 363-101-04, 368-030-28, 42 & 69, 368-370-33, 57 & 84.

Prepared By:
City of Reedley
Engineering Dept
1733 9th Street
Reedley, CA 93654
Phone (559) 637-4200



REEDLEY CITY COUNCIL

- Consent
- Regular Item
- Workshop
- Closed Session
- Public Hearing

ITEM NO: 7

DATE: April 22, 2013

TITLE: ADOPT RESOLUTION NO. 2014-021 ESTABLISHING THE FY 2014-15 RATES FOR COMMUNITY FACILITY DISTRICT (CFD) 2005-01 AND SETTING DEPARTMENT ALLOCATIONS

SUBMITTED: Paul A. Melikian, Director of Finance & Administrative Services

APPROVED: Nicole R. Zieba, City Manager

RECOMMENDATION

That the City Council adopt Resolution No. 2014-021 establishing the FY 2014-15 annual tax amount for properties within the Reedley Community Facilities District No. 2005-1. Staff recommends that the current tax rate be adjusted by the 2.24% Consumer Price Index (CPI) amount for the 2014-15 fiscal year, and to allocate the funds for the 2014-15 fiscal year at the existing 15% for Fire, 74% for Police, 9% for Parks, and 2% for Administration costs.

BACKGROUND

The Mello-Roos Community Facilities Act of 1982, allows a City to establish a Community Facilities District (CFD) to finance a variety of services. The Reedley Community Facilities District 2005-1 was established to finance operational expenses associated with public safety (police and fire) and park maintenance. Services provided within the CFD area do not supplant General Fund activities which are established at a baseline historic spending level using 2005-06 appropriation levels.

RATES

In May 2013, the City Council set the maximum tax rate for Reedley Community Facilities District No. 2005-1 in accordance with the procedures for establishing rates in the enacting resolution. Each year, the City Council must review the percentage change in the Consumer Price Index for San Francisco-Oakland-San Jose area, and adopt the following year's tax rates. The CPI change over the last 12 months is 2.24%. Per Council direction, the proposed fees are brought forth each year in April/May for discussion. The Council will consider two items: 1) setting the annual CFD tax amount for FY 2014-15 and 2) establishment of the allocation of revenue to City Departments for the upcoming fiscal year. The following table summarizes the current tax rate for FY 2013-14 and the proposed tax rate based on a 2.24% CPI increase of the maximum allowable tax rate. If a lower tax rate is considered, it must be universally applied to each building type category within the CFD.

Building Type	Current Maximum Rate	Proposed Maximum Rate 2.24% CPI
Single Family Home	\$867 per unit	\$886 per unit
Multi Family Residential	\$645 per unit	\$659 per unit
Affordable Housing	\$437 per unit	\$447 per unit
Non Residential	\$0.24 per square foot	\$0.24 per square foot
Infill Non Residential	\$0.11 per square foot	\$0.12 per square foot
Undeveloped	\$703 per acre	\$719 per acre

Under existing Council policy, each year as properties develop, they are annexed into the district. For FY 2014-15, it is anticipated that the District will serve 446 single family homes, 203 affordable/multi-family units, eight (8) commercial or non-residential properties totaling 87,480 square feet and 74.24 acres of vacant land. If additional properties develop, they will also be served, however the City will not collect fees until the following tax year. The projected FY 2014-15 revenue based on 2.24% CPI increase is \$517,000. This amount is \$44,000 more than what was projected to be collected this fiscal year.

Although the fee may be set by the City Council at any amount as long as it is applied uniformly, staff recommends that the fee be set at the maximum allowable. The recommendation is based on the anticipated costs to provide services to the CFD areas, which includes those incremental cost increases that the City's vendors pass to the City. According to the attached memos covering Police, Fire, Public Works, and Administration services, the anticipated costs to service the CFD area are \$655,125, \$123,352, \$46,845, and \$10,340 respectively, for a total of \$835,662. The amounts collected at the maximum proposed rate do not fully cover the costs to provide services. The anticipated difference of \$318,662 will come from the General Fund; therefore setting the rate at less than the maximum will further impact the General Fund budget for next fiscal year.

ALLOCATIONS

The Special Tax Report establishing the CFD identified the use of CFD funds at a specific allocation amount for each service. The City Council has the annual discretion to change the amount based upon budgetary needs and requirements. The following table summarizes the prior years and proposed allocation for next year, which remains unchanged from the last two fiscal years.

	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	Proposed FY 2014-15
Fire Services	20%	12%	15%	15%	15%
Police Services	71%	78%	74%	74%	74%
Parks Services	9%	10%	9%	9%	9%
Administration	-	-	2%	2%	2%

Each service receives its appropriate share of the adopted revenue amount each year and that balance

is restricted and carried over each year if / when revenues exceed expenditures. In FY 2012-13, the Departmental allocation formally recognized the amount spent annually for the administration of the CFD program; which includes processing new annexations, reporting new assessments to the Fresno County Assessor's Office, and legal review of recorded annexations. It is entirely appropriate to charge administrative costs to CFD revenue, and the City's current and proposed allocation of 2.0% is well below that of many other municipalities.

The following table summarizes estimated CFD fund balances as of June 30, 2014, the estimated revenue for next year broken out by Department percentage allocations, then netting out the estimated expenses to get to the required General Fund offset.

	Estimated Balance on June 30, 2014	2014/15 Estimated Revenue	2014/15 Estimated Expenditures	2014/15 Required General Fund Offset	Estimated Unused Balance June 30, 2015
Fire	\$15,738	\$ 77,550	\$ 123,352	\$ 45,802	0
Police	2,655	382,580	655,125	272,545	0
Parks	(1,726)	46,530	46,845	315	0
Administration	(3,800)	10,340	10,340	0	0
Total	\$12,867	\$ 517,000	\$ 835,662	\$ 318,662	0

FISCAL IMPACT:

If the maximum rate allowable is established, the FY 2014-15 General Fund budget will realize an estimated expenditure relief of \$517,000 for Fire, Police and Park services for parcels within the CFD boundary.

Attachments

1. Resolution No. 2014-021
2. Police, Fire & Parks FY 2014-15 Departmental Budgetary Requirements
3. 2013 CPI-U For San Francisco-Oakland-San Jose
4. Map of CFD Boundary