

PUBLIC HEARING COMMUNITY FACILITIES DISTRICT 2023-1

RIVER ISLANDS PUBLIC SERVICES AND FACILITIES #2

CITY COUNCIL REGULAR MEETING

ITEM 5.1

JUNE 12, 2023



SUMMARY



- At the April 10, 2023 City Council meeting, Council adopted Resolution 23-5259 declaring its intention to form Community Facilities District No. 2013-1 (River Islands Public Services and Facilities) (CFD).
- This action formally started the process of forming the CFD under the Mello-Roos Community Facilities Act of 1982.
- The establishment of the CFD will finance the costs of certain public facilities and services within the River Islands Development.

BACKGROUND



- In 2013, River Islands completed a fiscal impact analysis for their project. The fiscal impact analysis projected that the River Islands (Developer) development would produce a shortfall to the City's General Fund. In order for the City to ensure that development continued to pay its own way, Community Facilities District (CFD) No. 2013-1 (River Islands Public Services and Facilities) was formed to cover the shortfalls. Since that time, River Islands and the City have reviewed project revenues and expenses annually to ensure the project continues to perform as projected.
- In January 2023, the City and San Joaquin County (SJC) amended their property tax sharing agreement for the West Lathrop Specific Plan (WLSP), which includes the River Islands Development.
- As a result of the change in the property tax revenue, a new CFD is needed for all future development in River Islands to allow the City the flexibility to adjust the assessment if or when the shortfall is reduced. The new CFD will apply to future development and will not impact current residents. Currently, the future development area is owned by the developer.
- City Staff, the Financing Team and the Developer have had several discussions to help formulate the proposed District and the Special Tax to be levied, which has been approved by the developer and will be calculated and levied as set forth in the Rate & Method of the Special Tax.

DISTRICT HIGHLIGHTS



- The District will initially include three (3) parcels and is setup with the contemplation that additional land areas (the “Future Annexation Area”) will be annexed into the District in the future upon the consent of the then owner/developer as the area develops.
- The District will have a single tax rate formula, for the levy of the “Special Tax”, for the purpose of funding services, and will convert to the purpose of funding facilities in the future.
- The services authorized to be paid for by the Special Tax, as well as the facilities/public improvements shall include:

Services

Police Protection
Maintenance of open space
Maintenance of roads and roadways
Storm protection
Landscaping of public areas

Facilities

Roadway and related improvements
Bradshaw’s Crossing Bridge Improvements
Water Infrastructure
Sewer Infrastructure
Public Landscaping and Recreational Features

CITY COUNCIL ACTION & DOCUMENTS FOR CONSIDERATION



- Hold a Public Hearing;
- Documents for Consideration:
 1. Resolution of Formation of the District
 2. Resolution Calling Special Landowner Election
 3. Resolution Declaring Results of Special Landowner Election
 4. Ordinance to levy Special Taxes