



City of Roseville Community Facilities Districts

February 13, 2018

Council Policies

1. New growth areas must be fiscally neutral at buildout
2. New growth areas cannot rely on existing general fund for services
3. New growth areas require special taxes and impact fees to ensure the above requirements are met and ensure they are able to fund services equal to existing city

Financing Options

1. Impact Fees
 - Fund City Facilities
2. Developer Contributions
 - Fund Project Specific Improvements
3. Backbone Infrastructure – CFD #1 & CFD #5
4. Operational CFDs
 - a. CFD#2 – maintenance within WRSP
 - b. CFD #3 – offset citywide general fund costs (Police, Fire, Parks, etc.)

Impact Fees

- Two Types of Impact Fees
 1. Citywide and Regional (Nexus Fees)
 2. Development Agreement (negotiated)

- Citywide and regional fees are assessed to all new development
 1. Funds expansion and construction of City and Regional facilities

- Development agreement fees designed to fund specific projects or add value to community
 1. WRSP – Blue Oaks Fee
 2. SPA 3 – Downtown Benefit Fee
 3. NRSP 2 – Traffic Benefit Fee
 4. SVSP, Westbrook, Creekview – Placer Parkway Fee

CFD Formation

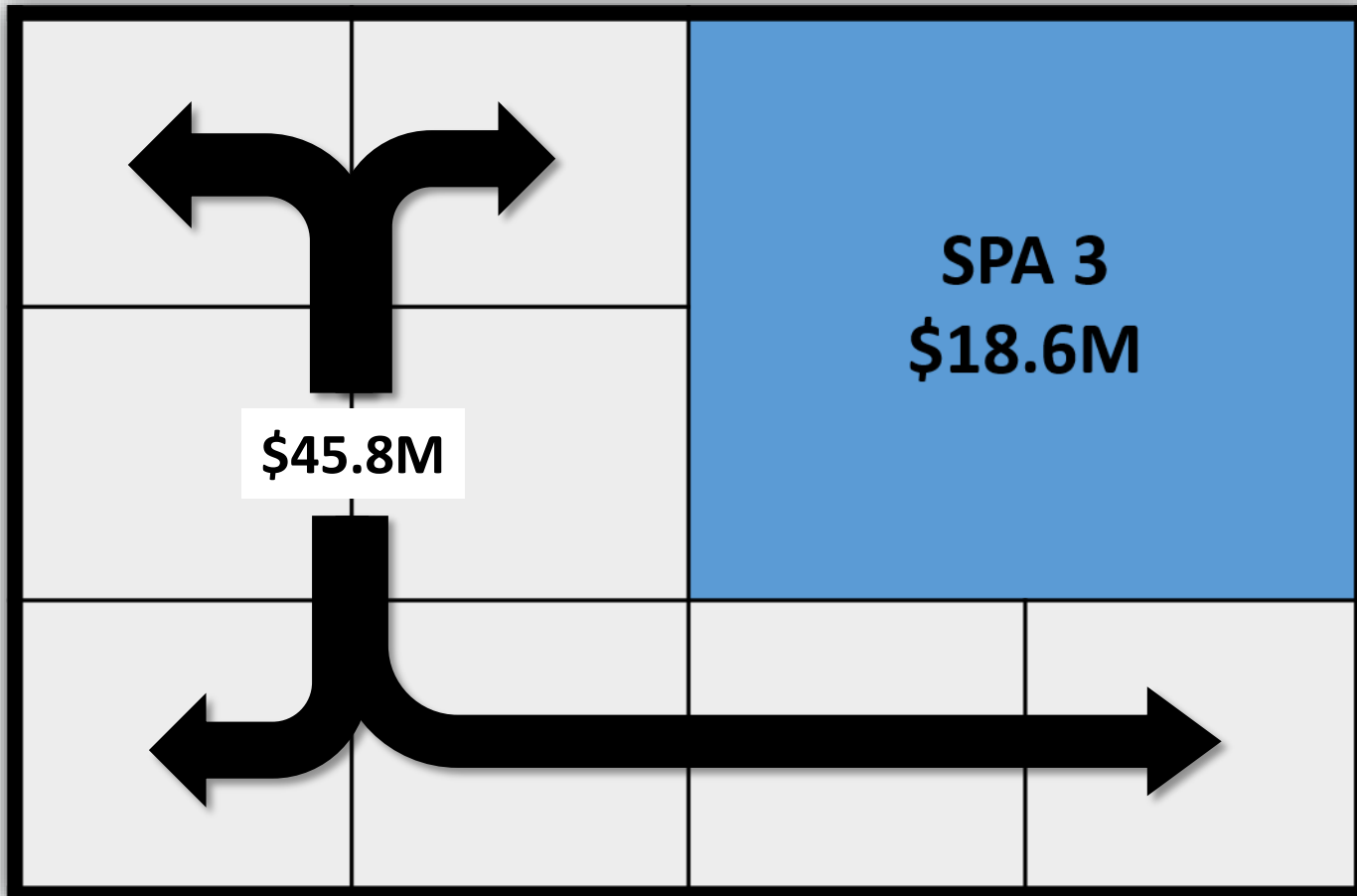
- Authorized facilities identified
- Bond capacity determined
- Costs allocated to large lots to repay bond debt
- Think of it as a 2nd mortgage

\$10 MILLION	\$20 MILLION
\$10 MILLION	
\$10 MILLION	\$20 MILLION
\$10 MILLION	

Example \$80M CFD

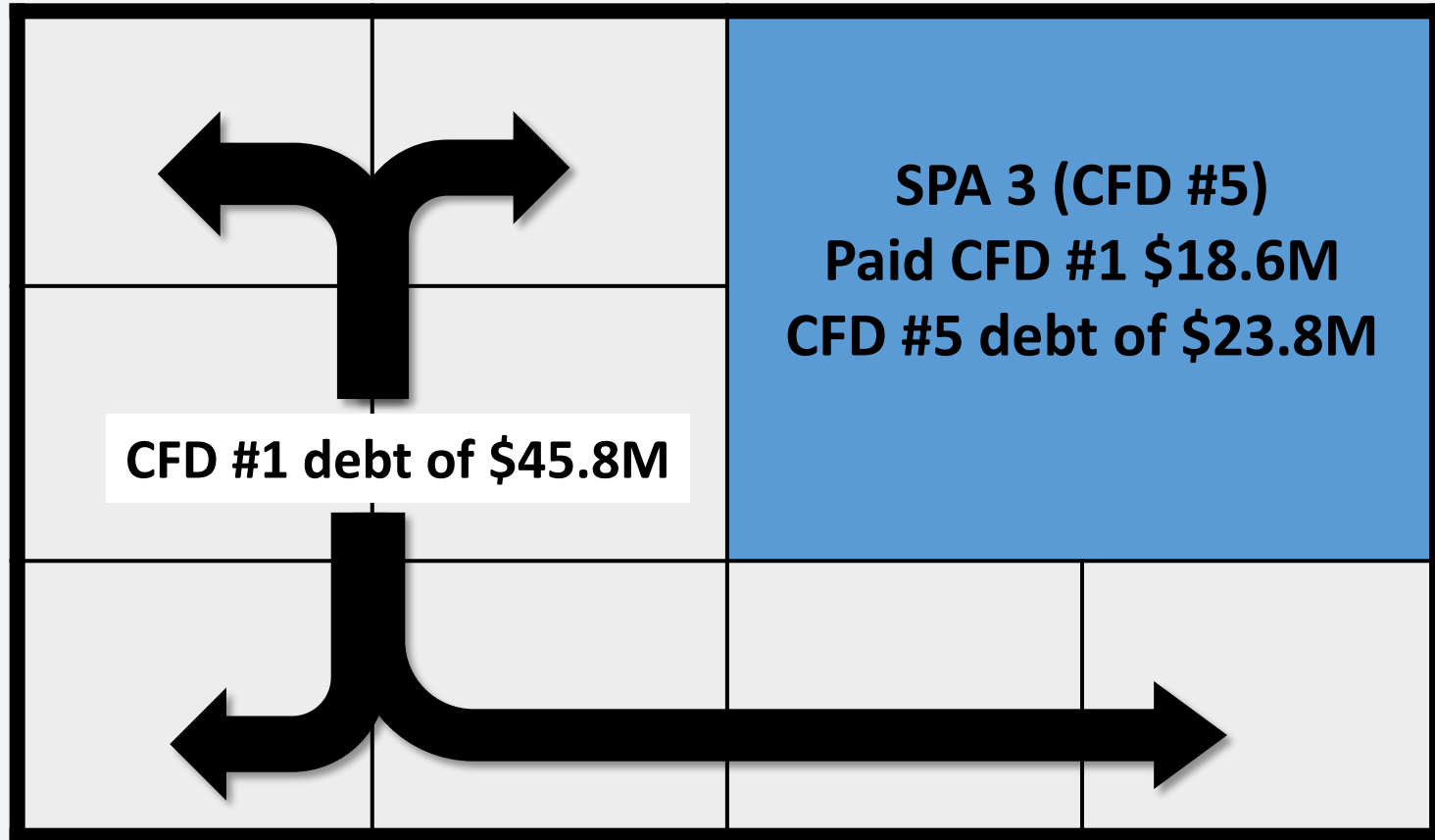
Fiddymment Ranch CFD #1

- Bond debt prior to refinancing was \$71.5M
- Bond debt after refinancing was \$64.4M
- Tax levy ends in 2036



Fiddymment Ranch CFD #5 (SPA 3)

- Authorized \$75M in bonds
- Paid off CFD #1 debt of \$18.6M
- Current debt as of 2017 = \$23.8M
- Tax levy ends in 2047



Roseville Receives Small Portion of Property Tax

- California approximate property tax rate: 1%
- Roseville receives 15% of the 1% paid
- Approximate value of all property in Roseville: \$27.7B
- Property tax receipts generated: \$277M
- Roseville receives: \$42M

\$750 Typical Household Property Tax to Roseville

- Assume an average house value in Roseville is valued at \$500,000
- This generates \$5,000 in property tax
- Roseville receives \$750

Roseville Receives Small Portion of Sales Tax

- 7.25% sales tax rate in Roseville
 - The state minimum
- Roseville receives 1¢ of the 7.25¢ paid per dollar spent
 - Majority goes to State and County
- Approximate annual taxable sales in Roseville: \$5.4B
- Sales tax generated: \$392M
- Roseville receives: \$54M

\$138 Typical Household Sales Tax to Roseville

Roseville typical household spending

- About \$80,000 annual household income
- About 23% of income, or \$18,400 spent on taxable items
- About 75% of the taxable spending, or \$13,800 is spent in the City
- This generates \$1,001 in sales tax in the City
- Roseville receives \$138

\$888 Typical Household Taxes to Roseville

The combined tax receipts received by the City of Roseville by a typical residence:

Sales Tax: \$138

Property Tax: \$750

Total Tax \$888

Shortfall of Household Taxes to Service Costs

Assumptions:

- \$100M sales tax and property tax received by Roseville
- 136,000 residents
- 2.54 residents per household
- Cost of city services funded by taxes: \$1,867
- Tax income received from WRSP = \$888 per household

WRSP shortfall in funding costs of services: \$979 per household

How is WRSP Shortfall Funded

CFD #2 – Funds neighborhood parks, open space and corridors in WRSP

CFD #3 – Funds shortfall for all other general fund costs including Public Safety, Street Maintenance, Development Services and General Government

Fiddymment Ranch CFD No. 1 (Public Facilities)

- District formation: September 15, 2004
- Bonded District
- Final Maturity on Series 2017 bonds:
September 1, 2036
- No additional obligations other than the current bonds issued so this levy will end in 2036.
- Bonds issued to finance the acquisition and construction on certain public facilities
- Budget used to pay the debt service (Principal/Interest) of the bonds issued and any associated administrative costs.
- Cannot be levied over the Max Tax (annual inflator on the max tax of 2%/year)

Fiddymment Ranch CFD No. 5 (Public Facilities)

- District formation: March 16, 2016
- Bonded District
- Final Maturity on Series 2017 bonds:
September 1, 2047
- Bonds issued to finance the acquisition and construction on certain public facilities
- Budget used to pay the debt service (Principal/Interest) of the bonds issued and any associated administrative costs.
- Cannot be levied over the Max Tax (annual inflator on the max tax of 2%/year)

Fiddymment Ranch CFD 1 Max Tax

District	Land use	Large Lot	FY16-17 Max tax per unit*	FY17-18 Max tax per unit* (2% inflation/yr)	Max Tax per unit FY35-36
Fiddymment Ranch CFD 1	LDR (Phase 1)	F-1A&B, F-2 through 4, F-5A&B	\$1,648.72	\$1,681.68	\$2,401.85
	LDR (Phase 2)	F-14A through F-14D	\$1,665.16	\$1,698.46	\$2,425.82
	LDR (Phase 2)	Developed Large Lots F-9A, F-15A, F-15B, F-15C, F-16A, F-16B; Classified as small lots still not developed: F-7, F-8, F-9BCD, 11, 12, F-19A and F19-B	\$1,722.58	\$1,757.02	\$2,509.46
	MDR (Phase 1)	F-17 and F-23	\$1,268.24 and \$1,325.06	\$1,293.60 and \$1,351.56	\$1,847.58 and \$1,892.51
	HDR	F-25&26	\$662.52	\$675.78	\$965.18

*When a CFD is formed there is a certain amount of maximum tax assigned to each Large Lot in the District. When a Lot subdivides, our administrator has to keep the total maximum tax by Large Lot intact (per the Rate and Method of Apportionment). So if more parcels are added then what they had originally provided when the Rate and Method of Apportionment ("RMA") was written, then this max tax will be lower per unit. If it has less parcels than what shows on the RMA, then the opposite effect would occur, and there would be a higher max tax/unit in order to keep the *total maximum tax for each Large Lot* (after inflation per year is applied) intact.

Fiddymment Ranch CFD 5 Max Tax

District	Land use (phases 2 and 3)	Large Lot	FY16-17 Max tax per unit	FY17-18 Max tax per unit (2% inflation/yr)*	Max Tax FY46-47
Fiddymment Ranch CFD 5 (Base year max tax \$1,688.80 set in FY2015-16)	LDR	F-13B1, F-13B2	No levy but max tax for FY would have been equivalent to \$1,722.58/unit	\$1,757.02 *First year of levy	\$3,120.21/unit
	Various	Undeveloped lots	-	\$3,690,060.27	

Side by Side Comparison CFD 1 and CFD 5

FY2015-16 Assigned Special Tax

Land Use Class	CFD No. 1 Assigned Special Tax	CFD No. 5 Assigned Special Tax
Low Density Residential	\$1,688.80 per Residential Unit	\$1,688.80 per Residential Unit
Medium Density Residential	\$1,299.08 per Residential Unit	\$1,299.08 per Residential Unit
High Density Residential	\$649.54 per Residential Unit	\$649.54 per Residential Unit
Affordable Units	\$324.77 per Residential Unit	\$324.77 per Residential Unit
Non-Residential	\$6,495.39 per Acre	\$6,495.39 per Acre

(Fiddymment Ranch CFD 5 Base Year:FY2015/16)

Fiddymment Ranch CFD 2 (Public Services)

- District formation: September 15, 2004
- No bonds issued-goes on in perpetuity
- Budget used for any authorized services as set forth in the documents adopted by the City Council when the CFD was formed.
- Services are necessary to meet increased demands for such services placed upon local agencies as the result of development occurring within the area of the CFD
- Cannot be levied over the Max Tax (annual inflator on the max tax of 4%/year)

Westpark CFD 1 (Public Facilities)

- District formation: September 15, 2004
- Bonded District
- Final Maturity on Series 2015 bonds:
September 1, 2037
- Bonds issued to finance the acquisition and construction on certain public facilities
- Budget used to pay the debt service (Principal/Interest) of the bonds issued and any associated administrative costs.
- Cannot be levied over the Max Tax (annual inflator on the max tax of 2%/year)

Westpark CFD 2 (Public Services)

- District formation: September 15, 2004
- No bonds issued-goes on in perpetuity
- Budget used for any authorized services as set forth in the documents adopted by the City Council when the CFD was formed.
- Services are necessary to meet increased demands for such services placed upon local agencies as the result of development occurring within the area of the CFD
- Cannot be levied over the Max Tax (annual inflator on the max tax of 4%/year)

CFD 3, Municipal Services District

- District formation: September 15, 2004
- No bonds issued-goes on in perpetuity
- Budget used for any authorized services as set forth in the documents adopted by the City Council when the CFD was formed.

CFD 3, Municipal Services District

Funds do not get allocated to other agencies

- Was formed as a DA requirement in order to offset the impact the buildout of WRSP was going to have on municipal services (General Fund). The list of authorized services provides a guideline of how the funds can be allocated.
- Can locate the list of authorized services on our City website.

[City of Roseville/ Government / Departments & Divisions / Finance / Special Taxes & Assessments / Mello Roos Services Districts/ Service Districts Document Library](#)

Infrastructure Financing

- As mentioned in previous slides, the West Plan has three Public Facilities Districts:
 - Fiddymont CFD 1 - \$69,409,646 in bonds proceeds issued for infrastructure
 - Fiddymont CFD 5 - \$5,997,465 in bonds proceeds issued for infrastructure
 - Westpark CFD 1 - \$68,909,959 in bonds proceeds issued for infrastructure

Infrastructure Financing

- Each Public Facilities District has a list of Authorized Facilities that can be reimbursed by the bond proceeds
- Developers submit bond draw requests to Finance/Engineering when the Authorized Facilities are constructed
- The next two slides account for the bonds draws submitted and amounts owed to the developers or remaining for use by the developers, through current day

Infrastructure Bond Draws Part 1

	Fiddymt Ranch CFD 1 Phase 1 Bonds	Fiddymt Ranch CFD 1 Phase 2 Bonds	Fiddymt Ranch CFD 5	Westpark CFD 1 Phase 1 Bonds	Westpark CFD 1 Phase 2 Bonds
Bond Proceeds	\$ 31,015,032.67	\$ 38,394,613.19	\$ 5,997,464.68	\$ 48,135,105.00	\$ 20,774,854.00
Draw 1	(2,442,566.55)	(4,025,872.49)	(175,700.26)	(7,741,864.19)	
Draw 2	(4,410,626.00)	(3,117,553.53)	(252,981.88)	(4,550,924.16)	
Draw 3	(5,082,482.00)	(1,564,971.10)	(1,500,933.10)	(2,758,274.95)	
Draw 4	(2,978,670.00)	(1,654,818.51)	(806,062.97)	(4,161,306.66)	
Draw 5	(5,021,529.79)	(2,275,462.27)	(287,823.47)	(3,671,764.02)	
Draw 6	(851,817.17)	(694,742.34)		(2,298,995.37)	
Draw 7	(807,409.30)	(4,129,988.51)		(1,703,634.77)	
Draw 8	(1,523,323.59)			(730,358.14)	
Draw 9	(1,017,218.22)	(363,948.78)		(2,572,732.99)	
Draw 10	(1,241,542.03)	(3,253,328.28)		(1,688,270.00)	
Draw 11	(1,428,923.51)			(1,798,770.91)	
Draw 12	(1,106,536.41)	(126,999.83)		(1,023,464.13)	
Draw 13	(854,241.98)	(1,490,262.97)		(3,162,955.45)	
Draw 14		(4,607,231.21)		(1,447,634.04)	
Draw 15	(899,486.07)	(1,678,679.89)		(4,791,675.09)	
Draw 16	(1,920,344.53)	(775,493.32)		(5,445,235.15)	(2,582,678.65)
Draw 17		(396,457.11)			(4,179,039.17)
Draw 18		(820,787.18)			(2,302,256.07)
Draw 19		(2,271,521.84)			(500,100.27)
Draw 20		(527,298.36)			(2,258,466.56)

Infrastructure Bond Draws Part 2

	Fiddymment Ranch CFD 1 Phase 1 Bonds	Fiddymment Ranch CFD 1 Phase 2 Bonds	Fiddymment Ranch CFD 5	Westpark CFD 1 Phase 1 Bonds	Westpark CFD 1 Phase 2 Bonds
Draw 21		(186,539.15)			(1,704,363.95)
Draw 22					(278,138.67)
Draw 23		(223,683.98)			(1,131,304.70)
Draw 24		(173,937.83)			(833,012.56)
Draw 25		(646,232.06)			(421,718.23)
Draw 26		(147,025.52)			(10,728.50)
Draw 27		(163,623.89)			(108,690.00)
Draw 28		(656,982.92)			(131,700.20)
Draw 29					(189,140.64)
Draw 30		(96,091.89)			(629,162.61)
Draw 31		(445,404.01)			(2,485,936.93)
Draw 32		(1,987,991.92)			(1,046,649.96)
Draw 33		(335,300.00)			(124,602.83)
Draw 34					(123,169.65)
Draw 35					(804,101.64)
Draw 36					(514,830.47)
Draw 37					(3,883,277.74)
Draw 38					(609,926.97)
Draw 39					(7,325,669.94)
Draw 40					(5,982,823.59)
	\$ (571,684.48)	\$ (443,617.50)	\$ 2,973,963.00	\$ (1,412,755.02)	\$ (19,386,636.50)

Property Tax bill examples

	Fiddymnt Ranch (Roseville)		Stone Point (Roseville)		Hartsfield Way (Lincoln)
Est. taxable value	\$469,098	Est. taxable value	\$483,512	Est. taxable value	\$431,010
<u>Ad Valorem</u>		<u>Ad Valorem</u>		<u>Ad Valorem</u>	
General Ad Valorem	4,691	General Ad Valorem	4,835	General Ad Valorem	4,310
Roseville Elem	1	Roseville Elem	1	W Placer Unified B&I	117
Roseville Elem	53	Roseville Elem	54	W Placer Unified B&I	55
Roseville Elem	65	Roseville High	67	W Placer Unified B&I	7
Roseville High	5	Roseville High	5	W Placer Unified B&I	7
Roseville High	105	Roseville High	109		
Roseville High	5	Roseville High	71		
Roseville High	53				
Roseville High	99				
Roseville High	69				
Total Ad Valorem	5,147	Total Ad Valorem	5,143	Total Ad Valorem	4,496
<u>Direct</u>		<u>Direct</u>		<u>Direct</u>	
Placer Mosquito	28	Placer Mosquito	28	Placer Mosquito	28
Fiddymnt Ranch CFD1	1,682	Stone Point CFD 1	530	City of Lincoln CFD 11998-1	203
Fiddymnt Ranch CFD2, Public Services	606	Stone Point CFD 2, Public Services	148	City of Lincoln CFD 2006-1	2,238
CFD3, Municipal Services	423	Stone Point CFD 4, Public Services	303	City of Lincoln LLD	346
		Stone Point CFD 5	1,780		
		CFD3, Municipal Services	423		
		Olympus Pointe LLD	213		
Total Direct Charges	\$2,739	Total Direct Charges	\$3,425	Total Direct Charges	\$2,816
Annual Total	\$7,886		\$8,567		\$7,312
Overall Tax Burden (FY2017-2018)	1.68%		1.77%		1.70%



CITY OF

ROSEVILLE

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