

	<h2>City of Murrieta City Council Policy</h2>	
	POLICY: Land Secured Financing Policy	
	POLICY NO.: 100-24	DATE: June 1, 2016

PURPOSE

The purpose of the Land Secured Financing Policy is to provide guidelines and procedures for the formation of Special Assessment and Mello-Roos Community Facilities Districts.

POLICY

The City of Murrieta encourages development of commercial, residential and industrial property which result in reciprocal value to the City (i.e. increased jobs, property or sales tax revenues, major public improvements), and will consider developer or property initiated applications requesting the formation of Community Facilities Districts ("CFDs") or Special Assessment districts ("ADs")(together referred to as "Districts"), as well as other financing methods to assist these types of development. Facilities will be financed in accordance with the provisions of the Mello-Roos Community Facilities Act of 1982 as amended and/or the appropriate laws governing the levying of assessments and the issuance of bonds concerning ADs.

Generally, only improvements benefiting the CFD or the AD can be financed with Mello-Roos or assessment district bonds. Developer exactions, such as off-site housing subsidies and transit impact fees, may not be financeable.

The City will consider developer or property owner initiated applications requesting the formation of Districts and the issuance of bonds to finance eligible public facilities necessary to serve commercial, industrial and residential projects in the following instances:

- When tax-exempt financing of project public facilities will result in a significant benefit to the community; and/or
- When the formation of a district is part of an executed Development Agreement addressing project implementation.

The City shall make the determination as to whether a proposed district shall proceed under the provisions of the Mello-Roos Community Facilities Act or the appropriate assessment district laws, and whether the district will be a construction or acquisition district or a combination thereof. The City may confer with the applicant and its consultants to learn of any unique district requirements, such as regional serving facilities or long-term development phasing prior to making any final determination.

All City and consultant costs incurred in the evaluation of new development district applications and the establishment of districts will be paid by the applicant(s) by advance deposits in those instances where a proposed district has been initiated by a party or parties other than the City. The City may incur expenses for analyzing proposed districts where the City is the principal proponent of the formation for financing of the district. Expenses not legally reimbursable by the district shall be borne by the applicant. Most City and district consultant costs can be funded from Bond proceeds regardless of how funding is initially arranged.

PROCEDURES

APPLICATION PROCESS

Early communication with the City is encouraged to assist applicants in evaluating the feasibility of available financing programs and to discuss program procedures. The following details a typical district application review and application process:

1. **Application Submission** - Applicant/developer shall submit an application to the City together with a non-refundable fee in the amount of \$10,000.00 to cover the City costs associated with processing the application. The City will conduct an initial evaluation of the application to determine if it is complete and whether additional information is required.
2. **Project Review** – Applicant and the City Manager, or his designee, shall meet to discuss the initial project application, including any issues raised and further information that might be required. If necessary, applicant submits a revised application. Once the application is accepted by the City Manager, it will be reviewed by a City financing team assigned based on the needs of the project.
3. **Analysis and Study** – Once the City review team has determined that the proposed district formation and financing application is complete and that the new district complies with the public benefit requirement or is in accordance with a Development Agreement, the City Manager or his designee will request the City Council to approve a preliminary feasibility study on the project. This study may be done internally or externally, as the circumstances of the project may dictate. The applicant will be required to deposit funds to cover the cost of the study.
4. **City Council Consideration** – The Council will either approve or deny the application. If approval is granted, the Council directs the City Manager to engage additional consultants, negotiate necessary contracts, and collect additional developer deposits, as necessary.
5. **Project Initiation** – The City Manager and the City's financing team submit contracts, reimbursement agreements, bond documents and other pertinent items for consideration of the City Council, as required.

6. **Project Implementation** – Applicant, the City’s financing team and consultants meet to determine a preliminary schedule and begin work necessary to complete the district’s formation and financing.

DISTRICT COSTS, REIMBURSEMENT AND SURPLUS POLICIES

- **Costs incurred by the City prior to formation and the issuance of bonds:** All costs incurred by the City prior to the formation of the district and the issuance of the Bonds, including but not limited to consultant costs (e.g., legal counsel, engineer firms, appraisers, market absorption consultants, special tax consultants, financial advisors, etc.), City staff and administrative costs and related expenses, cost of providing notices, printing and publication costs, and all expenses directly or indirectly relating to these items, shall be reimbursed to the City by the applicant/developer prior to formation. Reimbursement shall be facilitated by advance deposit increments in accordance with the agreements required by this policy document.
- **Costs incurred by the City subsequent to formation:** All City administrative and consultant and legal costs related to administration of the district and bonds incurred after the formation and bond issuance shall be included within the assessment or special tax formula in accordance with applicable provisions of law.
- **Reimbursement to applicant/developer:**
 1. Where District is formed and bonds are issued. If the District is formed and bonds are issued, the applicant/developer shall be entitled to reimbursement from bond proceeds for all reasonable costs and expenses incident to the proceedings and construction of the public facilities, subject to approval of bond counsel, and subject to any applicable restrictions contained in the Improvement Acts or the Mello-Roos Community Facilities Act of 1982 . With regard to applicant/developer paid consultant costs, reimbursement shall be limited to those District-related consultants hired by the City or those hired by the developer/applicant and expressly approved by the City. Eligibility for reimbursement for any otherwise-eligible expense is conditioned upon the availability of sufficient bond proceeds, the applicant/developer providing paid invoices therefore to the City, and City approval.

The applicant/developer shall not be entitled to reimbursement from bond proceeds for any of the following:

- Administrative or overhead expenses, financial consultant or legal fees incurred by an applicant for the formation of a District (this limitation does not apply to amounts advanced by the applicant to the City).
- Land-use planning and subdivision costs and environmental review costs related to such land use planning and subdivision.
- Construction loan interest.
- Costs, including but not limited to, land acquisition costs incurred prior to entering into a reimbursement or acquisition agreement or the adoption of a resolution of intention to form the District.

- Attorney’s fees related to the land use entitlement or subdivision process unless off-site and directly related to the project.
 - Other overhead expenses incurred by the applicant.
 - Development Impact and Other Fees
2. Where District is not formed, or where District is formed and bonds are not issued. In the event that the District is not formed due to City disapproval or abandonment, or due to applicant/developer abandonment, or the District is formed and bonds are not issued for any reason, the City will refund to applicant/developer any remaining unexpended and unobligated portion of advance deposits posted with the City, subject to the City's prior and full reimbursement of all its direct and indirect costs associated with the District in accordance with policies herein. If the applicant/developer's advance deposit to the City is not sufficient to reimburse the City for all of its direct and indirect costs, the City will require an additional deposit by the applicant/developer for the difference. The City shall be entitled to pay any refund to the applicant/developer listed on the application form without interest, irrespective of any changes in the ownership or composition of the applicant/developer. If a district is formed and bonds are not issued within five (5) years of formation and no activity has occurred, the District will be considered abandoned and may be dissolved at the City’s discretion.

USE OF CONSULTANTS

The City shall have the sole discretion as to selection of consultants and determination of fees and expenses of all consultants necessary for the formation of the District and the issuance of bonds, including the underwriter(s), bond counsel, financial advisor, assessment engineer, appraiser, trustee, paying agent, market absorption study consultant, and the special tax consultant after reasonable consultation with the applicant. Prior consent of the applicant shall not be required in the determination by the City of the consulting and financing team.

ELIGIBLE INFRASTRUCTURE AND PUBLIC FACILITIES

Infrastructure and public facilities eligible for District financing are those public improvements which benefit properties within a proposed development, and/or will mitigate impacts of that development upon areas of the City outside the proposed development, and which will be owned, operated and maintained by the City or another public agency approved by the City. (A complete listing is detailed in the Glossary under *Infrastructure and Public Facilities*.) Improvements which are or will be owned, operated or maintained by a private company or utility are not eligible, except for improvements to be owned by shareholder owned utility companies regulated by the California Public Utilities Commission and which comprise less than five percent of the project. No development impact fees or other fees may be financed by the district. Infrastructure and public facilities to be owned by the City shall take priority of funding over infrastructure and public facilities to be owned by other public agencies. The City shall consider financing those services as permitted by Section 53313 of the Mello Roos Community Facilities Act. City services shall take priority of funding over services to be provided by other public agencies.

LAND USE APPROVALS

All proposed projects within the proposed District, together with the infrastructure and public facilities, must be consistent with the City's adopted General Plan and zoning classifications. All property within the proposed District must possess land use determinations or zoning classifications of sufficient certainty, and facility requirements of sufficient specialty that each parcel can be adequately assessed.

AGREEMENTS REQUIRED

The applicant will be required to enter into all necessary agreements incident to District proceedings in a form provided by the City and consistent with these policies. These agreements may include, but not be limited to:

- Development and Disposition Agreement
- Acquisition and Disclosure Agreement
- Funding and Reimbursement Agreement
- Advance Deposit Agreement
- Land Dedication Agreement (where required)
- Agreement to use the City as the sole issuer of bonds in the District. No other governmental entity may be used to issue any additional bonds in the future.
- Other Agreements (as required)

As a condition to the issuance and sale of the bonds, all of the agreements required by the City shall be duly approved and executed by the parties thereto. Prior to execution of any agreements, such agreements shall be reviewed by bond counsel and City Attorney and such other consultants as the City believes are appropriate.

THE APPRAISAL PROCESS

The appraisal shall be coordinated by, under the direction of, and addressed to the City. The applicant shall pay all costs associated with the preparation of the appraisal report through the advance deposit mechanism. The appraisal shall be conducted in accordance with criteria, standards and assumptions established by the City, based upon the recommendations for each specific project received from the underwriter and financial advisor designated by the City. In every case, the appraisal shall reflect nationally and locally recognized appraisal standards, for land-secured bond financing. The City prefers that the appraisal be prepared in accordance with the recommendations of the California Debt Advisory Commission as contained in the Disclosure Guidelines for Land-Based Securities, and deviations therefrom will only be considered upon recommendation from bond counsel, the financial advisor, the underwriter and the appraiser, with consideration of the facts pertaining to each particular project.

1. Introduction

The process of arriving at an appraised value may be summarized as follows:

- Statement of appraisal problem.
- Required data and sources of data.
- Gathering, recording and verification of data.
- Determination of "highest and best use."
- Estimation of land value.
- Estimation of improvement value by relevant approach:
 - Sales comparison,
 - Cost (or replacement value), or
 - Income capitalization.
- Reconciliation of results to concluded value.
- Report of value with statement of limitations, conditions, and assumptions.

2. The Appraiser – General Requirements

Appraisals undertaken to establish value-to-lien ratios for land-secured financings can be complex, requiring the appraiser to interpret the significance of various financial and demographic data. Because an appraisal essentially is an appraiser's opinion of value, the City requires that the appraiser be qualified to render this opinion.

- **Credentials**
The appraiser will be credentialed by the State of California Office of Real Estate Appraisers and be a member of the Appraisal Institute (MAI) or have similar training, experience and qualifications.
- **Independence**
The appraiser will be an independent contractor retained by the City, rather than a land owner/developer.

3. Date of the Value Estimate

The date of the value estimate should clearly be identified in the appraisal report. The period between the date of the appraisal and the financing should be no more than 90 days, to accurately represent land values to prospective investors, unless a longer period is determined reasonable as recommended by the appraiser, financial advisor or underwriter based on market conditions at the time of the sale of the bonds.

4. Appraisal Deposits

Appraisal fees will be estimated by the City and deposit of said fee with the City will be required prior to starting the appraisal.

SECURITY: CREDIT ENHANCEMENT

- **Financial Plan** – for new development, prior to City Council approval of the District, the applicant/developer must submit a financial plan which demonstrates to

the City's satisfaction the applicant/developer's ability to pay all assessments and/or special taxes through build out of the project.

- **Credit Enhancement** – in general, where credit enhancement is required for all or part of a bond issue, in the opinion of the City, the applicant/developer shall provide such enhancement in such form as is approved by the City and the underwriters. Such enhancement may, for example, be required in cases where the value-to-lien ratio for property within the District is low or where bond debt service is expected to be supported significantly (by more than 20%) by the levy of special taxes on undeveloped property or where there are significant or unusual development risks, and may take the form of letters of credit, policies of insurance, or other vehicles.
- As an alternative to providing security, depending on circumstances:
 - A portion of the bond proceeds may be placed in escrow with a corporate agent in an amount sufficient to assure an acceptable value-to-lien ratio is reached on the escrowed proceeds. The escrowed proceeds shall be released at such times and in such amounts as will assure an acceptable value-to-lien ratio with regard to the aggregate outstanding bonds and other covenants; or
 - The bonds may be issued in series with each series in an amount sufficient to assure an acceptable value-to-lien ratio with regard to the aggregate outstanding bonds and other covenants. However, where practical, the City shall limit the number of series of bonds to a single series in order to reduce costs on future residents and administrative burdens on the City.

VALUE-TO-LIEN RATIOS

The City may sell bonds for the District only if it determines that the value of the real property that would be subject to the special tax or assessment to pay debt service will be at least three times the principal amount of the bonds to be sold and the principal amount of all other bonds outstanding that are secured by a special tax or assessment. Such determination will be based upon the full cash value as shown on the ad valorem assessment roll or upon an appraisal of the subject property made in a manner consistent with the policies of the City. Requirements of a higher value to lien ratio may be imposed by the City and will be determined by an appraisal with recommendations from bond counsel, financial advisor, and the underwriter, with consideration of the facts pertaining to each particular project, including diversification of land ownership. The City may allow exceptions to its value to lien ratio requirements if it finds and determines that the proposed bonds do not present any unusual credit risk due to the availability of credit enhancements or for other reasons determined by the City.

MARKET ABSORPTION STUDY

The City in its discretion may require and may employ a consultant for the purpose of conducting a market absorption study. The study, if required, shall include an estimate of the total number of units, estimated home prices and rate of absorption, and will be used as a basis for verification that sufficient revenues can be generated, and to determine if the financing of the infrastructure and public facilities is appropriate given the projected level and pace of development.

Market absorption consultant fees will be estimated by the City and deposit of said fees with the City will be required prior to the commencement of the work.

SPECIAL TAXES AND ASSESSMENTS

The projected special assessment and/or special tax, when added to the ad valorem property tax and other direct and overlapping debt for the proposed District (including other benefit assessments, special taxes levied for authorized but unissued debt, and any other anticipated special assessments, taxes or charges which may be included on a property owner's annual property tax bill), shall not exceed one and eight tenths percent (1.8%) of the projected assessed value of each improved parcel within the District. Such tax rate shall be measured at formation of the District and again at the time bonds are sold. The City may, at its discretion, engage a market analyst to determine home values in the District. In the event that the projected tax rates exceed 1.8%, the District may require the developer(s) to prepay special taxes to reduce the tax rate or issue fewer bonds. A backup special tax shall be required to protect against changes in land use that may result in insufficient annual special tax revenues.

SPECIAL TAX FORMULA

The total of the following shall not exceed one and eight tenths percent (1.8%) of the projected assessed value of the subject properties at the time all properties are deemed Developed in the District:

1. Ad valorem property taxes levied by the City.
2. Voter approved ad valorem taxes levied by the City in excess of one percent (1%) of the assessed value.
3. Special taxes levied by any existing CFD for the payment of bonded indebtedness or on-going services.
4. Assessments levied for any assessment district or maintenance district for the payment of bonded indebtedness or services.
5. The maximum special tax for the proposed CFD (but not including any “back up” special tax.

The maximum special tax formula shall adhere to the following requirements:

1. The maximum tax shall include the annual costs incurred by the City to administer the District, including debt service, City, County administrative expenses and 10% delinquency coverage.
2. The maximum special tax shall establish tax rates which correspond to the adopted land use designation of each parcel.
3. The special tax formula shall be structured to ensure sufficient funds to pay for annual debt service and administrative expenses of the District.
4. A backup special tax to protect against changes in densities resulting in insufficient annual special tax revenues to pay annual debt service and administrative expenses shall be required.
5. The City will not provide for an annual escalation factor of the Maximum Special Tax

The City shall retain a special tax consultant to prepare a report which:

1. Recommends a special tax for the proposed CFD, and
2. Evaluates the proposed special tax in light of its ability to adequately fund identified public facilities, City administrative costs and services (if applicable) and other related expenditures. Such analysis shall also address the resulting aggregate tax burden of all proposed special taxes plus existing special taxes, ad valorem taxes and assessments on the properties within the CFD.

The City may establish an annual charge, not to exceed the amount of the maximum authorized annual tax of the District on developed property that is in excess of the amount needed to pay the bonds and any special tax delinquencies or deficiencies in the bond reserves due to delinquencies. City staff has the discretion to direct this excess, other than any amount needed to pay District administration expenses, to reimbursement to CFD proponents for “pay-as-you-go” authorized District improvements. Such use of the excess would be limited to the earlier of the completion of the District improvements or until bonds are issued.

TERMS AND CONDITIONS OF BONDS

All terms and conditions of the bonds shall be established by the City and included in the Bond Indenture or Fiscal Agent Agreement. The City will control, manage and invest all District issued bond proceeds designated for use on improvements. The City will also be responsible for determining the structure of the bonds to be issued, including the method of sale (negotiated or competitive), the need for bond ratings, and all other terms and conditions incidental to structuring and closing a bond issuance. Each bond issue shall be structured to adequately protect bond owners and to not adversely impact the bonding capacity or credit rating of the City through the special taxes or assessments, credit enhancements, foreclosure

covenant and reserve fund. Unless otherwise authorized by the City, the following shall serve as bond requirements:

1. A reserve fund in an amount equal to the lesser of ten percent (10%) of the original bond principal, or maximum annual debt service on the Bonds, or 125% of average annual debt service on the Bonds, or as otherwise provided by Federal law.
2. The special taxes/assessments shall be levied for the first fiscal year following sale of the bonds for which they may be levied or at the end of capitalized interest period. Interest shall be funded (capitalized) during the estimated period of construction, but shall not exceed 24 months.
3. The repayment of principal shall begin on the earliest principal payment date for which sufficient special tax/assessment revenues can be made available after the end of the capitalized interest period.
4. Beginning with the commencement of the repayment of principal, annual debt service shall be level.
5. The maximum special tax shall be established to ensure that the annual revenue produced by the levy of the maximum special tax shall be equal to at least 110% of the maximum annual debt service.
6. In instances where multiple series of bonds are to be issued, the first series shall include public facilities of highest priority as determined by the City.
7. All statements and materials related to the sale of District bonds shall emphasize and state that neither the good faith, nor the taxing power of the City is pledged to security or repayment of the bonds. The sole source of revenues to secure bond owners is special taxes, annual assessments or foreclosure proceeds.
8. Bond Redemptions. Maximum redemption premiums shall not exceed three percent (3%). Call protection provisions shall not exceed ten (10) years. Consideration shall be given to allowing redemption of bonds at par (without premium) with surplus construction funds, or from the prepayment of the special tax. Provision shall be made to allow the City to purchase bonds on the open market at par plus accrued interest, in lieu of redemption of bonds.
9. Criteria for the Sale of Bonds. In order to ensure the long-term security of any District bonds, the following policies shall be followed:
 - The ratio of the appraised value of the land to the value of the proposed bond issue, and any other overlapping debt, shall not be lower than 3-to-1

- Certificates of Occupancy are issued to at least 50% of properties within the District and/or credit enhancement is provided in an amount equal to two years of maximum special taxes on all properties owned by any merchant builder or developer
10. Refundings - The City will analyze outstanding bond issues for refunding opportunities. In addition, the City will accept refunding proposals from underwriting firms which the City will then analyze and verify. The City will refund outstanding bond issues if:
- The refunding will generate at least three percent (3%) net present value savings; or
 - There is another reason the City determines is compelling enough to complete a refunding (e.g. for the purpose of changing onerous legal requirements in a previous bond indenture or resolution or in order to modify the special tax formula).

FISCAL FEASIBILITY REPORT

Prior to the formation of a District, a fiscal feasibility report may be required if fifty percent (50%) or more of the land within a District is substantially undeveloped. The report shall be prepared by or at the direction of the City. All costs for preparing this report shall be borne by the applicant/developer. An estimate of the report cost will be made prior to initiating the study and the applicant/developer shall deposit one hundred percent (100%) of the cost prior to starting the report.

ACQUISITION PROVISIONS

Unless as otherwise agreed to between the City and the applicant/developer, the following provisions will apply concerning the acquisition of public facilities District funds:

- The delivery to the City by the applicant/developer of all deeds, easements, or other documents necessary to complete the transfer of title to the improvements and the land or interests in land on which the improvements have been constructed.
- Issuance of a title insurance policy in favor of the City that ensures clear title to the land or interests in land to be conveyed to the City.
- The delivery to the City of a certified copy of the developer's "Notice of Completion" filed with the County of Riverside Recorder's Office thirty-five (35) days prior to acceptance of the improvements.
- The delivery to the City by the applicant/developer of lien waivers or releases from all contractors, subcontractors, and suppliers associated with construction of the improvements; or, in cases where this is not practical, other equivalent security such as a lien-free endorsement from a title company.

- Any other documentation required pursuant to the acquisition agreement between applicant/developer and the City.

CONTINUING DISCLOSURE

The developer will comply with federal and State securities laws and SEC Rule 15c 2-12 requirements concerning secondary market disclosure as those requirements are interpreted by the underwriter and its counsel.

HOME BUYER DISCLOSURE

The applicant or property owner will be required to demonstrate to the satisfaction of the City that, to the best of their abilities, there will be full disclosure of the Mello-Roos special taxes and any other special tax, assessment, overlapping special taxes or assessments of other districts, or other liens on individual parcels to existing and future property owners, and to prospective purchasers of property including interim purchasers and sales to merchant builders. In addition to all requirements of law, the City shall require the applicant to provide disclosure of such information as the City deems appropriate to the purchasers of property within the District, with respect to the existence of the District, maximum and/or backup special taxes to be levied within the District, facilities to be constructed, the foreclosure process and the terms and conditions of bonds issued on behalf of the District. Such disclosure shall include homebuyer notifications requiring signature prior to home purchases, as well as methods to notify subsequent home purchasers.

Upon request, the City will provide a “Notice of Special Tax” to sellers of real property subject to the levy of special taxes as required by Government Code Section 53340.2.

EXCEPTIONS TO THESE POLICIES

The City may find in limited and exceptional instances that a waiver to any of the above stated policies is reasonable based upon specific public purpose and/or health and safety findings. Staff of the City and the City Attorney shall determine if the waiver shall be approved by action of the City Council and if so, such waivers must be identified in the staff report to Council as part of the proceedings.

GLOSSARY

Acquisition district - a special assessment district or CFD formed to finance the acquisition of infrastructure or public facilities where the applicant/developer will be reimbursed for eligible construction and related costs.

Bonds - bonds authorized and issued under the Improvement Act of 1911, the Municipal Improvement Act of 1913, the Improvement Bond Act of 1915, the Mello-Roos Act of 1982, or such other mechanism as is utilized by the City in its discretion to finance the infrastructure and/or public facilities.

Bond counsel - special counsel retained by the City to assure compliance with applicable federal and state tax and other laws and regulations relating to public financing.

Bond underwriter - the investment banker(s) retained by the City to design, develop and execute the sale of bonds in the market place.

City - the City of Murrieta.

Community Facilities District (CFD) - a special district formed pursuant to the Mello-Roos Community Facilities Act of 1982, to finance specific public improvements or public services, and where properties within the district are levied a special tax in accordance with the rate and method of apportionment adopted as part of the district proceedings.

Developed Property - Properties within a District that have been issued a Certificate of Occupancy by the City.

District – Community Facilities District and/or Special Assessment District

Fair market - the amount of cash or its equivalent which property would bring if exposed for sale on the open market under conditions in which neither buyer nor seller could take advantage of the exigencies of the other and both have knowledge of all of the uses and purposes to which the property is adapted and for which it is capable of being used and of the enforceable restrictions upon uses and purposes.

Fee district - a special district formed to finance specific infrastructure and/or public facilities, and where landowners within the district are assessed a fee, payable at the time of development or permit approval, which fee is proportionate to the benefit received from the infrastructure and/or public facilities. There is no bond financing associated with a fee district.

Fiscal feasibility report - a study performed under the direction of the City to determine the financial viability of a proposed district.

Improvement acts - the Improvement Act of 1911, the Municipal Improvement Act of 1913, the Improvement Bond Act of 1915, or such other act or ordinance under which the proceedings are conducted, leading to formation of the district.

Infrastructure and public facilities - those public improvements including but not limited to major streets and arterials; highway improvements and freeways; freeway interchanges; right of way acquisitions; bridges; street lights; water, flood, sewer and drainage improvements; landscape and irrigation facilities; reclaimed water facilities; environmental mitigation; bicycle and pedestrian facilities; fire and police stations; parks; wetlands; telephone ducts; electrical conduits; libraries; transit improvements (including public parking facilities); and the provision of certain services (if applicable), that may be eligible for financing under this document, and which are authorized improvements under the improvement act or CFD selected by the City.

In-tract facilities - public facilities which serve an individual tract development, such as local subdivision streets, local utilities and local drainage systems.

Special assessment district - an assessment district formed pursuant to an improvement act to finance eligible specified infrastructure and/or public facilities, and where properties within the district are assessed an amount proportionate to the benefit received from the improvements financed.

Special tax consultant - consultant retained by the City to develop the rate and method of apportionment and other special tax formulas and criteria for a Mello-Roos CFD.

Value-to-lien ratio - the value of a parcel of land as determined by an MAI appraisal relative to the amount for which land secured bonds may be sold for the parcel.

HISTORY

Adopted: January 21, 2003

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Randon K. Lane
Mayor