

**TEMECULA PUBLIC FINANCING AUTHORITY  
AGENDA REPORT**

**TO:** Executive Director/Board of Directors

**FROM:** Jennifer Hennessy, Director of Finance

**DATE:** July 28, 2020

**SUBJECT:** Authorize Fiscal Year 2020-21 Special Tax Levies for the Community Facilities Districts

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**PREPARED BY:** Jennifer Hennessy, Director of Finance

**RECOMMENDATION:** That the Board of Directors adopt the following resolutions entitled:

RESOLUTION NO. TPFA 2020-

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TEMECULA PUBLIC FINANCING AUTHORITY AUTHORIZING THE LEVY OF A SPECIAL TAX IN COMMUNITY FACILITIES DISTRICT NO. 01-02 (HARVESTON)

RESOLUTION NO. TPFA 2020-

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TEMECULA PUBLIC FINANCING AUTHORITY AUTHORIZING THE LEVY OF A SPECIAL TAX IN COMMUNITY FACILITIES DISTRICT NO. 03-06 (HARVESTON II)

RESOLUTION NO. TPFA 2020-

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TEMECULA PUBLIC FINANCING AUTHORITY AUTHORIZING THE LEVY OF A SPECIAL TAX IN COMMUNITY FACILITIES DISTRICT NO. 03-01 (CROWNE HILL)

RESOLUTION NO. TPFA 2020-

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TEMECULA PUBLIC FINANCING AUTHORITY AUTHORIZING THE LEVY OF A SPECIAL TAX IN

COMMUNITY FACILITIES DISTRICT NO. 03-03 (WOLF CREEK)

RESOLUTION NO. TPFA 2020-

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TEMECULA PUBLIC FINANCING AUTHORITY AUTHORIZING THE LEVY OF A SPECIAL TAX IN COMMUNITY FACILITIES DISTRICT NO. 03-04 (RORIPAUGH RANCH)

RESOLUTION NO. TPFA 2020-

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TEMECULA PUBLIC FINANCING AUTHORITY AUTHORIZING THE LEVY OF A SPECIAL TAX IN COMMUNITY FACILITIES DISTRICT NO. 16-01 (RORIPAUGH RANCH PHASE 2)

**BACKGROUND:** The Temecula Public Financing Authority (the “Authority”) was created pursuant to a joint exercise of powers agreement between the City of Temecula and the Temecula Redevelopment Agency on April 24, 2001. An Amendment was approved on November 10, 2015 to replace the Temecula Redevelopment Agency with the Successor Agency to the Temecula Redevelopment Agency, due to the Statewide dissolution of all redevelopment agencies, effective February 1, 2012. In addition, the Temecula Community Services District and the Temecula Housing Authority were added as parties to the Authority Joint Exercise of Powers Agreement.

The Authority adopted the required resolutions of intention relative to the formation of six Community Facilities Districts (CFDs) and, thereafter, took the necessary actions to issue bonds for all six CFDs. The bonds were utilized to fund various public improvements including, but not limited to, streets, street lights, parks, drainage, sewer and water improvements.

The special tax levy for each CFD is calculated each year based on the formula established in the Rate and Method of Apportionment, established when the CFD was formed. The special tax levy funds the debt service payments and administrative costs which are detailed in the attached Budget Reports for each CFD. The amount of the levies fluctuate each year due to changes in delinquency rates, debt service amounts, or administrative charges.

The special tax levies required for Fiscal Year 2020-21, as calculated by the City’s special tax consultant, Webb Municipal Finance, LLC, are summarized in the following table.

| Issue Date | Issue Name                        | Issue Amount  | Outstanding Amount as of 9/1/2020 | FY 19-20 Annual Levy | FY 20-21 Annual Levy | Change from Prior Year |
|------------|-----------------------------------|---|-----------------------------------|----------------------|----------------------|------------------------|
| 8/29/2002  | Harveston CFD 01-02 Sp. Tax A     | \$17,310,000  | \$11,350,000                      | \$1,010,376.92       | \$1,009,739.06       | (\$637.86)             |
| N/A        | Harveston CFD 01-02 Sp. Tax B     | This is a non-bonded special tax established for the ongoing maintenance of Harveston Lake. |                                   | \$244,293.58         | \$246,736.52         | \$2,442.94             |
| 9/9/2004   | Harveston II CFD 03-06            | \$4,845,000   | \$3,160,000                       | \$316,166.20         | \$315,524.75         | (\$641.45)             |
| 8/7/2003   | Crowne Hill CFD 03-01 Ser. A      | \$12,155,000  | \$8,675,000                       | \$802,104.71         | \$798,199.40         | (\$3,905.31)           |
| 8/24/2005  | Crowne Hill CFD 03-01 Ser. B      | \$3,865,000   |                                   |                      |                      |                        |
| 1/8/2004   | Wolf Creek CFD 03-03              | \$30,990,000  | \$18,900,000                      | \$1,891,528.92       | \$1,889,019.39       | (\$2,509.53)           |
| 4/27/2006  | Roripaugh Ranch CFD 03-02         | \$51,250,000  | \$8,540,000                       | \$746,080.97         | \$745,069.57         | (\$1,011.40)           |
| 3/16/2017  | Roripaugh Ranch Phase 2 CFD 16-01 | \$42,815,000  | \$41,025,000                      | \$3,166,477.42       | \$3,167,459.47       | \$982.05               |

City staff reviews each district throughout the year to consider possible refunding opportunities. The City refunded three of the five CFDs in 2012, saving the property owners 10-16% on their annual levies. Additionally, the City refunded Harveston CFD 01-02 in 2016, Roripaugh Ranch CFD 03-02 in 2017, and Crowne Hill CFD 03-01 in 2017, providing savings for homeowners. Also in 2017, the Roripaugh Ranch Phase 2 CFD 16-01 was formed.

**FISCAL IMPACT:** The calculated special tax levy required for the 2020-21 Fiscal Year is listed in the preceding table.

- ATTACHMENTS:**
1. CFD 01-02 Resolution (Harveston)
  2. 2020-21 Budget (Harveston)
  3. CFD 03-06 Resolution (Harveston II)
  4. 2020-21 Budget (Harveston II)
  5. CFD 03-01 Resolution (Crowne Hill)
  6. 2020-21 Budget (Crowne Hill)
  7. CFD 03-03 Resolution (Wolf Creek)
  8. 2020-21 Budget (Wolf Creek)
  9. CFD 03-02 Resolution (Roripaugh Ranch)
  10. 2020-21 Budget (Roripaugh Ranch)
  11. CFD 16-01 Resolution (Roripaugh Ranch Phase 2)
  12. 2020-21 Budget (Roripaugh Ranch Phase 2)