



AGENDA STAFF REPORT

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Agenda Number: D
File ID: 0126.2, 0618.253

Section Name: Finance
Project ID:

MEETING DATE: July 9, 2024

SUBJECT: Adopt Resolutions Establishing Fiscal Year 2024-2025 Assessment District Assessments and Community Facilities District Special Taxes

TO: BOARD OF DIRECTORS

FROM: FINANCE, KARLA ROMERO

GENERAL MANAGER
RECOMMENDATION:

Adopt proposed Resolutions Nos: 2024-xx and 2024-xx, which will provide for the following:

1. Collection of funds required to meet debt service and other administrative obligations for Assessment Districts (ADs) 33, 68, and 70; and
2. Collection of funds required to meet maintenance, repair, replacement, and other administrative obligations for Community Facilities District (CFD) No. 102; and request the County of Riverside to levy and collect such taxes on behalf of CFD No. 102.

BUDGET IMPACT:

These special assessment levies are necessary to ensure sufficient funds are received to disburse bond payments associated with Assessment Districts 33, 68, and 70. The additional special tax levy is necessary to ensure that Community Facilities District No. 102 has sufficient funds for maintenance, repair, and replacement. These special assessments and special tax levies do not have a fiscal impact on CVWD (Coachella Valley Water District).

PROCUREMENT METHOD:

N/A

If other, please explain: .

BACKGROUND

District staff, alongside Webb Municipal Finance, LLC, prepared the Fiscal Year 2024-2025 Special Tax Levy for CFD 102 and the assessments for the three Assessment Districts. These levies incorporate various assumptions, including:

1. The expected annual debt service costs of the ADs for Fiscal Year 2024-2025; and
2. The expected administrative costs for the ADs and CFD 102.

According to calculations, there exists outstanding 1913/1915 Act Municipal Bonds for which fixed assessments are to be levied and the Community Facilities District 102 for which special taxes are to be levied. These fixed charges for the Assessment Districts and special taxes for CFD 102 are listed under the summary schedules attached hereto (Exhibit A-Assessment Districts), (Exhibit A-Community Facilities District) and referencing Exhibits B through D.

Assessment District 33:

In 2010, the Board of Directors approved the formation of AD No. 33 to install irrigation pipelines to approximately 754 acres of agricultural property north of Avenue 70, west of Lincoln Street, east of Highway 86 South, and south of Avenue 68. Coachella Valley Water District (CVWD) issued bonds for \$786,528 to finance construction, formation costs, and administrative fees in conjunction with the Assessment District. The landowners that benefited from the new irrigation facilities are repaying the bonds over a 30-year period. The outstanding bond before the issuance of this levy is \$535,000.

Assessment District 68:

In 2001, the Board of Directors approved the formation of AD No. 68 to fund certain water and sewer improvements in the Cities of La Quinta and Rancho Mirage. In conjunction with the Assessment District, CVWD issued bonds for \$2,560,000 to finance project costs, formation costs, and administrative fees. The homeowners that benefited from the water and sewer improvements are repaying the bonds over a 25-year period. The outstanding bond before the issuance of this levy is \$510,000.

Assessment District 70:

In 2006, the Board of Directors approved the formation of AD No. 70 for the purpose of funding sewer improvements in the community of Thousand Palms and an unincorporated area of Riverside County. In conjunction with the Assessment District, CVWD issued bonds for \$8,239,480 to finance project costs, formation costs and administrative fees. The landowners that benefited from the sewer improvements are repaying the bonds over a 20-year period. The outstanding bond before the issuance of this levy is \$1,760,000.

Community Facilities District 102:

In 1998, the Board of Directors approved the formation of CFD No. 102 to finance the maintenance, repair, reconstruction, and replacement of flood control facilities constructed by the owner of the property and subsequently transferred to CVWD. A special tax is levied and will continue until 2201. No bonds have been issued by this Community Facilities District.

PRIOR BOARD ACTION:

N/A

DISTRICT STRATEGIC PLAN GOAL(S)/OBJECTIVES(S):

N/A

ENVIRONMENTAL IMPACT:

This is not a project as defined by CEQA; therefore, approval does not require any CEQA action.

PUBLIC NOTICE REQUIRED

N/A

LEGAL REVIEW

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ATTACHMENTS

Att 1 – FY 2024-25 Resolution for Assessment Districts

Att 2 – AD - Exhibit A

Att 3 – AD 33 Budget

Att 4 – AD - Exhibit B

Att 5 – AD 68 Budget

Att 6 – AD - Exhibit C

Att 7 – AD 70 Budget

Att 8 – AD - Exhibit D

Att 9 – FY 2024-25 Resolution for Community Facility Districts

Att 10 – CFD - Exhibit A

Att 11 – CFD 102 Budget

Att 12 – CFD - Exhibit B