



## **BOARD MEETING AGENDA SUBMITTAL**

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**TO:** GCSO Board of Directors

**FROM:** Peter Kampa, General Manager

**DATE:** July 13, 2021

**SUBJECT:** **Agenda Item 6Ci: Adoption of a Resolution of Formation of the Groveland Community Services District Community Facilities District 2021-01 (Public Services)**

**Agenda Item 6Cii: Introduction and First Reading of Ordinance No. 2021-01 Authorizing the Levy of Special Taxes on Parcels That Will Annex to a Community Facilities District – Groveland Community Services District Community Facilities District No. 2021-01 (Public Services)**

**RECOMMENDED ACTION:**

Staff recommends the following action:

*I Move to approve Resolution 22-2021 for the formation of a Community Facilities District encompassing the District Boundaries for the purpose of levying special taxes on new land development projects to fund fire and park services.*

**BACKGROUND:**

The board of directors has directed staff to work with a professional municipal finance consulting firm, NBS, in the preparation of the fiscal impact analysis (FIA) which evaluates the financial burden that new land development projects place on the district fire and park services. The purpose of the FIA is to establish a dollar amount to be charged in a special tax which will be levied on the property of the new development. The county's approval of new land development projects may include annexation into the community facilities district (CFD) established by GCSO. The special tax amount identified in the FIA will then be levied on all properties that annex into the CFD. This funding is an annual tax to fund the additional operating cost of providing fire and park services to these new projects.

Land projects requiring discretionary approval by the County may annex into the CFD. Project examples include new land subdivisions, new commercial developments, properties receiving Conditional Use Permits for commercial development through the county and other similar entitlements. The District GM will work out the details of which types of county discretionary actions should annex into the CFD.

NBS prepared the draft FIA which was reviewed by a Board Ad-Hoc Committee and then the full Board at its special meeting on May 20th and June 8th, 2021. On June 8, 2021 the Board adopted a Resolution of Intention to create the Community Facilities District, and a letter detailing this was subsequently sent to the County Board of Supervisors. A Notice of Public Hearing was published in the Sonora Union Democrat for the public hearing to be held at today's meeting. The next step in the process of creation of a community facilities district following the public hearing is the adoption of a resolution of formation, attached to this agenda item. A second item for consideration at this meeting is the introduction of an Ordinance authorizing the levy of special taxes on parcels to annex to the CFD. NBS staff will be in attendance at the meeting virtually, to provide a brief presentation and answer questions.

**ATTACHMENTS:**

1. Notice of Public Hearing as published
2. NBS Presentation slides
3. Groveland Community Services District Community Facilities Report Prepared by NBS
4. Resolution 22-2021
5. Publication Summary of Ordinance authorizing the levy of special taxes on parcels to annex to the CFD
6. Draft Ordinance authorizing the levy of special taxes on parcels to annex to the CFD

# GROVELAND COMMUNITY SERVICES DISTRICT

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*Report For:*

**Fiscal Impact Analysis for  
Future Development with Enhanced Services**

**June 2021**

Prepared by:



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# TABLE OF CONTENTS

---

<b>Section 1   INTRODUCTION</b> .....	<b>1</b>
<b>Section 2   BACKGROUND</b> .....	<b>2</b>
Analysis Methodology.....	2
Current District Persons Served.....	2
District Fiscal Impact Factors.....	3
Calls for Fire Service Impact Factor.....	4
<b>Section 3   REVENUE ESTIMATE</b> .....	<b>5</b>
Property Tax Revenue.....	5
Other District Revenue.....	8
<b>Section 4   EXPENDITURES ESTIMATE</b> .....	<b>11</b>
District Expenditure per Person Served.....	12
District Expenditure per Unit.....	14
<b>Section 5   FISCAL IMPACT</b> .....	<b>15</b>
<b>Section 6   ENHANCED FIRE SERVICES COSTS</b> .....	<b>16</b>
<b>Section 7   FISCAL IMPACT FUNDING OPTIONS</b> .....	<b>18</b>
Community Facilities Districts.....	18
CFD Special Tax Recommendation.....	19

# LIST OF TABLES

---

Table 1.	Current Persons Served .....	3
Table 2.	Persons Per Land Use Category .....	3
Table 3.	Calls for Fire Service per Unit and Impact Factors.....	4
Table 4.	Residential Secured Property Tax Revenue.....	6
Table 5.	Hotel Secured Property Tax Revenue .....	6
Table 6.	RV Park Secured Property Tax Revenue .....	7
Table 7.	Commercial Secured Property Tax Revenue .....	7
Table 8.	Other District Revenue .....	8
Table 9.	Other District Revenue per Person Served.....	9
Table 10.	Other District Revenue .....	9
Table 11.	Total Annual Revenue.....	10
Table 12.	District Fire Expenditures Summary .....	11
Table 13.	District Park Expenditures Summary .....	12
Table 14.	District Fire Expenditures per Person Served .....	13
Table 15.	District Parks Expenditures per Person Served .....	13
Table 16.	District Expenditures per Unit .....	14
Table 17.	Annual Fiscal Impact.....	15
Table 18.	Call-Adjusted Additional Persons Served .....	16
Table 19.	Enhanced Fire Services Cost per Call-Adjusted Person Served .....	16
Table 20.	Enhanced Services Amount per Unit .....	17
Table 21.	Proposed CFD Special Tax Rates.....	19

# SECTION 1 | INTRODUCTION

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The Groveland Community Services District (the “District”) is undertaking a comprehensive review of the net fiscal impact to its Fire and Parks budgets in anticipation of additional development throughout the District, as well as options to recover the additional fire services costs relating to the supplementary CalFire staffing requirements resulting from such development. The District is concurrently conducting a development impact fee study, which, among other things, will present options to recover the capital costs associated with future development within the District. This review of the revenues generated from existing development, as compared with the costs the District incurs to provide fire/rescue and recreational services, reveals that development produces an overall negative fiscal impact for all land use types within the District. To off-set the negative fiscal impacts created by those land uses, the District should explore establishing a funding source to mitigate those negative fiscal impacts.

This fiscal impact report will provide background information, applicable financial information and analysis, and recommended actions for the District’s consideration. To accomplish this objective, the report includes the following information:

- **Background information.** The introductory portion of the report focuses on the District, as well as the public services and operations under review. Existing development information is also addressed in this section.
- **Revenues.** This section of the report identifies the various revenue sources and the potential recurring revenues, given certain reasonable assumptions.
- **Expenditures.** The expenditure section of the report identifies the estimated recurring cost burden placed upon the District operations.
- **Fiscal Impact.** Using existing development’s identified revenues and expenditures, this section of the report identifies the overall fiscal impact to the District operations. Fiscal impacts are addressed on a land use category basis and using either a per dwelling unit or per building square foot factor.
- **Recommendations.** Finally, the report concludes with a summary of fiscal analysis findings and recommendations for the District’s consideration.

## SECTION 2 | BACKGROUND

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Development can provide a significant benefit to a public agency. As part of the overall decision-making process to move forward with any proposed development, it is important to evaluate the contributions and demands that the future development will place upon a public agency's general operating fund. In this analysis, the District needs to determine the fiscal impact of future development throughout the District, and determine the overall fiscal impact placed upon the District's operational budget as a result. To determine the anticipated fiscal impacts placed upon the District, this fiscal impact analysis is designed to quantify the approximate cost of services provided by the District in order to fully serve the population.

### **Analysis Methodology**

The revenue portion of the fiscal impact analysis focuses on various taxes, fees, and other District revenues needed to fund ongoing operational costs and the expenditures portion of the fiscal impact analysis includes recurring District expenditures to provide ongoing services.

There are several industry-accepted methods for allocating a public agency's recurring revenues and expenditures to future development. This fiscal analysis largely focuses on two industry standard approaches: the case study approach and the multiplier approach. Both of the approaches are summarized below.

#### **CASE STUDY APPROACH**

When data used in a fiscal impact analysis is specific to the analysis itself and is not dependent upon industry accepted generalized multipliers such as the number of residents, employees, etc., the case study approach is utilized. The case study approach relies on development-specific data to estimate the fiscal impacts created from development of a project. Data used in the case study approach may include assessed valuations, property turnover rates, residential and employee populations, household incomes, estimated sales, and taxable expenditures, as applicable to the fiscal analysis.

#### **MULTIPLIER APPROACH**

The multiplier approach is used in a fiscal impact analysis when the relationship of the revenues or expenditures generated from the proposed development project are difficult to measure. This particular approach anticipates that certain revenues and expenditures are indicators of future anticipated revenues and expenditures, which can be quantified based upon changes in the number of persons served by the public agency. To apply the multiplier approach, the fiscal analysis determines an average revenue or expenditure amount based upon a per person served basis. Depending on the type of revenue or expenditure, the type of person served can include a resident, employee, or a combination of both.

### **Current District Persons Served**

In order to best apply the multiplier approach in the fiscal impact analysis, and to allocate applicable revenues and expenditures, District population information is utilized. For purposes of this fiscal analysis, District's population includes both residential and employee population estimates.

When determining the total number of persons served, the relationship between the residential population and employee population is evaluated to determine if there are varying levels of services provided to each demographic group. For example, services provided by a public agency may include activities that focus on the well-being of only the residential population. In those particular instances, future changes to the employee population has very limited, if any, additional fiscal impacts upon that particular service category. To recognize any reduced impacts by the employee population, as compared to the residential population, the employee population would receive a reduced weighting. However, there is a similar and relatively uniform manner that the District’s services are provided to both the residential and employee population, which results in a 1:1 relationship between the residential and employee population. Therefore, for purposes of this fiscal analysis, the number of current persons served within the District is the same as the current population estimates and is provided in the table below.

**TABLE 1. CURRENT PERSONS SERVED**

Current Residential Population <sup>1</sup>	Current Employee Population <sup>2</sup>	Current Persons Served
3,017	1,027	4,044

Based upon the District’s current residential population and employee population estimates, the total number of persons currently served within District is 4,044 persons.

### District Fiscal Impact Factors

This fiscal analysis will quantify the estimated fiscal impacts on a per person served basis. However, in order to determine the overall fiscal impacts that various residential and non-residential land use categories have upon the District’s operational budget, fiscal impact factors are assigned. This fiscal impact analysis will evaluate the following land use categories: residential, hotel, RV park, and commercial. The table below provides the number of persons per residential dwelling unit or number of employees per 1,000 gross square footage of building area were identified.

**TABLE 2. PERSONS PER LAND USE CATEGORY**

Description	Persons	Per
Residential	2.15 <sup>3</sup>	Dwelling Unit
Hotel	2.00 <sup>3</sup>	Room
RV Park	2.00 <sup>3</sup>	Space
Commercial	2.10 <sup>4</sup>	1,000 Square Feet

<sup>1</sup> Population Trends and Key Indicators for Groveland Community Services District for 2020, as provided by American Community Survey, ESRI, and Bureau of Labor Statistics

<sup>2</sup> Employment Overview for Groveland Community Services District for 2020, as provided by American Community Survey, ESRI, and Bureau of Labor Statistics

<sup>3</sup> Impact Fee Study, as provided by Colgan Consulting Corporation

<sup>4</sup> Estimated persons from comparable FIA report data



## Calls for Fire Service Impact Factor

The fiscal impact analysis explores the additional cost burden as it relates to the potential increases in calls for fire service that may result from a particular land use type within the District. The following table shows estimated calls for fire service impact factors:

**TABLE 3. CALLS FOR FIRE SERVICE PER UNIT AND IMPACT FACTORS**

Description	Fire Calls per Unit <sup>5</sup>	Impact Factor
Residential	0.103	1.00 <sup>6</sup>
Hotel	0.136	1.32 <sup>7</sup>
RV Park	0.136	1.32 <sup>8</sup>
Commercial	0.205	1.99 <sup>9</sup>

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<sup>5</sup> Estimated average calls for fire service per unit per year from analysis of a random sample of calls for the three-year period from 2016-2018, per Impact Fee Study, as provided by Colgan Consulting Corporation

<sup>6</sup> Per dwelling unit

<sup>7</sup> Per room

<sup>8</sup> Per space

<sup>9</sup> Per one-thousand square feet of building area

## SECTION 3 | REVENUE ESTIMATE

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The District relies on revenue received from several sources. The majority of the District’s operating revenue for its Fire and Parks budgets is primarily property tax revenue, with additional revenues from fees and other revenue. To determine the estimated property tax revenue generated from existing development, the case study approach is used in this fiscal analysis. The multiplier approach is then used to allocate certain types of other revenue that the District receives.

### Property Tax Revenue

Under California law, non-exempt property pays an *ad valorem* property tax equal to 1% of the assessed value of the property. Any additional voter-approved taxes or assessments will result in a total property tax rate burden that can exceed 1% of the property’s assessed value. The property tax revenue received from the 1% *ad valorem* property tax rate is then allocated to various overlapping public agencies based upon their authorized allocation for each Tax Rate Area (“TRA”). The boundary of the District includes 12 TRAs in the County, with the District receiving a varying percentage of the 1% *ad valorem* property tax revenue within each TRA. However, the weighted average of the AB-8 rates for these twelve TRAs was calculated to be approximately 16.59%, meaning the District receives approximately 16.59% of the 1% *ad valorem* property tax revenue on a District-wide basis.

### RESIDENTIAL DEVELOPMENT PROPERTY TAX

The District serves a diverse area that covers approximately 15 square miles and contains a variety of residential land uses. To estimate the property tax revenue received from residential property, values for the residential land use category need to be determined. Using average single-family, condo/townhome, and mobile home assessed value information for homes built between 2018 and 2020 obtained from recent Tuolumne County Secured Roll data for parcels within the County, the estimated assessed value for the residential category can be quantified. The data sources indicate that the approximate average value for residential property is \$296,500. Applying this approximate value to the residential category, the estimated secured property tax revenue from future residential development is quantified in the table below.

**TABLE 4. RESIDENTIAL SECURED PROPERTY TAX REVENUE**

Description	Residential Amount
Approximate Value per Residential Dwelling Unit	\$296,500
Less: Homeowner's Exemption <sup>10</sup>	(7,000)
<b>Estimated Taxable Value per Residential Dwelling Unit</b>	<b>\$289,500</b>
1% <i>Ad Valorem</i> Property Tax	\$2,895
District Share of 1% <i>Ad Valorem</i> Property Tax <sup>11</sup>	16.59%
<b>Annual Residential Secured Property Tax Revenue</b>	<b>\$480</b>

Based on the approximate value for residential property, it is estimated that residential property will generate property tax revenue of approximately \$480 per residential dwelling unit for the District per year.

### **HOTEL DEVELOPMENT PROPERTY TAX**

In order to best calculate the potential property tax revenue to be generated from hotel developments, the estimated hotel assessed value is considered. The average assessed value per room of hotel property sold between 2018 and 2020 was obtained from recent Tuolumne County Assessor's data for parcels within the County. Applying this approximate value per room, the estimated secured property tax revenue from future hotel development is quantified in the table below.

**TABLE 5. HOTEL SECURED PROPERTY TAX REVENUE**

Description	Hotel Amount
<b>Estimated Value per Room</b>	<b>\$78,000</b>
1% <i>Ad Valorem</i> Property Tax	\$780
District Share of 1% <i>Ad Valorem</i> Property Tax <sup>11</sup>	16.59%
<b>Annual Hotel Secured Property Tax Revenue</b>	<b>\$129</b>

Based on the approximate value per room for hotels, it is estimated that hotels will generate property tax revenue of approximately \$129 per room for the District per year.

<sup>10</sup> Homeowner's Exemption that is available to all owner-occupied residences within Tuolumne County reducing the assessed value of a residence by \$7,000

<sup>11</sup> Approximate, based upon the weighted average of the AB-8 rates for the twelve TRAs in the District

## RV PARK DEVELOPMENT PROPERTY TAX

In order to best calculate the potential property tax revenue to be generated from an RV park development, estimated construction cost is considered, which in turn will determine a project's assessed value. It is estimated that the cost to build an RV park is anywhere from \$15,000 to \$50,000 per space<sup>12</sup>. For purposes of this analysis, we will assume a mid-range construction cost per space of \$32,500. Applying this approximate value per space, the estimated secured property tax revenue from future RV park development is quantified in the table below.

**TABLE 6. RV PARK SECURED PROPERTY TAX REVENUE**

Description	RV Park Amount
<b>Estimated Value per Space<sup>12</sup></b>	<b>\$32,500</b>
1% <i>Ad Valorem</i> Property Tax	\$325
District Share of 1% <i>Ad Valorem</i> Property Tax <sup>11</sup>	16.59%
<b>Annual RV Park Secured Property Tax Revenue</b>	<b>\$54</b>

Based on the approximate value per space for RV parks, it is estimated that RV parks will generate property tax revenue from approximately \$54 per space for the District per year.

## COMMERCIAL DEVELOPMENT PROPERTY TAX

In order to best calculate the potential property tax revenue to be generated from commercial development, estimated commercial assessed value is considered. The average assessed value per building square foot of commercial property built between 2018 and 2020 was obtained from recent Tuolumne County Assessor's data for parcels within the County. Applying this approximate value per building square foot for commercial property, the estimated value and secured property tax revenue from future commercial development is quantified in the table below.

**TABLE 7. COMMERCIAL SECURED PROPERTY TAX REVENUE**

Description	Commercial Amount
Estimated Value per Building Square Foot	\$333
Non-Residential Gross Building Square Feet Factor <sup>13</sup>	1,000
<b>Total Non-Residential Estimated Taxable Value</b>	<b>\$333,000</b>
1% <i>Ad Valorem</i> Property Tax	\$3,330
District Share of 1% <i>Ad Valorem</i> Property Tax <sup>11</sup>	16.59%
<b>Annual Commercial Secured Property Tax Revenue</b>	<b>\$552</b>

<sup>12</sup> Stephen Melendez {2018}, 'How to Build RV Parks', Houston Chronicle, December 10

<sup>13</sup> Fiscal impacts for commercial property is based upon each 1,000 square feet of gross building area

Based on the approximate value per 1,000 square feet of gross building area for commercial property, it is estimated that commercial property will generate property tax revenue of approximately \$552 per 1,000 square feet of gross building area for the District per year.

## Other District Revenue

While property tax revenue represents the majority of the District’s annual operating revenue, the District also receives operating revenue from several other sources. Other District revenue sources include fees for use of the Strike Team’s equipment, grants, park use fees, dog park permit fees, cell tower leases, and interest. Using revenue budget information provided by the District, the table below presents the anticipated other revenues.

**TABLE 8. OTHER DISTRICT REVENUE**

Description	2020-2021 Fire Budget Amount <sup>14</sup>	2020-2021 Parks Budget Amount <sup>14</sup>	2020-2021 Total Amount
Strike Team-Equipment Use	\$20,500	n/a	\$20,500
Jones Hill Fire Break Grant	166,300	n/a	166,300
Use Fees	n/a	\$500	500
Dog Park Permit Fees	n/a	1,500	1,500
Cell Tower Leases	n/a	42,000	42,000
Interest	10,000	4,000	14,000
<b>Total Other District Revenue</b>	<b>\$196,800</b>	<b>\$48,000</b>	<b>\$244,800</b>

The overall impact that development will have on the District’s revenue sources is based upon the assumption that the current per capita revenue amounts will serve as the best indicator of future per capita revenue amounts. Therefore, to best allocate the other District revenues to future development, the multiplier approach is utilized. Table 1 previously identified that the total numbers of persons currently served within the District is 4,044. Using the number of persons served, the amount of other District revenue per person can be determined. The total other District revenue amounts, the total number of persons served, and the amount per person served are presented in the table below.

<sup>14</sup> Budget amounts as detailed in the District’s Fiscal Year 2020/21 Adopted Final Budget

**TABLE 9. OTHER DISTRICT REVENUE PER PERSON SERVED**

Description	2020-2021 Fire Budget Amount	2020-2021 Parks Budget Amount	Persons Served	Annual Fire Amount per Person Served	Annual Parks Amount per Person Served
Strike Team-Equipment Use <sup>15</sup>	\$20,500	n/a	n/a	\$0.00	\$0.00
Jones Hill Fire Break Grant <sup>15</sup>	166,300	n/a	n/a	0.00	0.00
Use Fees	n/a	\$500	4,044	0.00	0.12
Dog Park Permit Fees	n/a	1,500	4,044	0.00	0.37
Cell Tower Leases <sup>15</sup>	n/a	42,000	n/a	0.00	0.00
Interest	10,000	4,000	4,044	2.47	0.99
<b>Totals</b>	<b>\$196,800</b>	<b>\$48,000</b>		<b>\$2.47</b>	<b>\$1.48</b>

With the above annual fire amount per person served of \$2.47 and the annual parks amount per person served of \$1.48, the total amount of other District Fire and Parks revenue allocated to each person served is \$3.95. It should be noted that the amount of other District revenue per person excludes revenues that are not impacted by changes in the District population. Those excluded revenues include amounts received from use of equipment, grants, and leases. The other District revenue amount per person is multiplied by the number of persons served per residential dwelling unit, hotel room, RV park space, or the number of persons served per 1,000 square feet of gross commercial building area, as shown in the table below.

**TABLE 10. OTHER DISTRICT REVENUE**

Description	Other District Revenue per Person Served	Persons Served	Occupancy Factor <sup>16</sup>	Total Other District Revenue
Residential Amount	\$3.95	2.15	<b>1.00</b>	<b>\$8</b>
Hotel Amount	3.95	2.00	<b>0.66</b>	<b>5</b>
RV Park Amount	3.95	2.00	<b>0.69</b>	<b>5</b>
Commercial Amount	3.95	2.10	<b>1.00</b>	<b>8</b>

<sup>15</sup> Fixed and not tied to population

<sup>16</sup> The occupancy factor is the share of available rooms/spaces that are occupied or being rented during a given time. Information for Hotel occupancy rates is the average for calendar years 2018 and 2019, obtained from [statista.com](https://www.statista.com); information for RV Parks is the average occupancy rate for parks/campgrounds with full hook ups, obtained from the National Association of RV Parks and Campgrounds' 2019 Industry Trends and Insights Report.

The total estimated property tax revenue (Tables 4 through 7) and other district revenue (Table 10) are shown in the table below.

**TABLE 11. TOTAL ANNUAL REVENUE**

Description	Property Tax Revenue	Other District Revenue	Total Annual District Revenue
Residential Amount	\$480	\$8	<b>\$489</b>
Hotel Amount	129	5	<b>135</b>
RV Park Amount	54	5	<b>59</b>
Commercial Amount	552	8	<b>561</b>

## SECTION 4 | EXPENDITURES ESTIMATE

The revenue previously identified in Section 3 of this fiscal analysis is intended to pay for the recurring expenditures related to the District’s ongoing operations. Using the District’s projected operating expenditures, the tables below presents the anticipated operational costs.

**TABLE 12. DISTRICT FIRE EXPENDITURES SUMMARY**

Description	2020-2021 Fire Budget Amount <sup>14</sup>
Cal Fire Contract	\$1,056,071
Salaries and Benefits	64,834
Retiree Medical	14,350
Unfunded Pension Liability	62,730
Radio Communications	5,000
Fuel	14,820
Protective Clothing/Wildland	7,000
Medical Supplies/EMS Equip.	1,500
Small Tools & Safety Equipment	4,500
Repair & Maint.-Station General	7,000
Repair & Maint.-Apparatus	16,500
Repair & Maint.- Equipment	2,000
SCBA Equipment	7,500
Utilities	18,628
Office & Cleaning Supplies	4,900
Training	2,000
Fire Prevention Supplies/Events	500
Jones Hill Fire Break (Grant)	166,300
Admin Allocation Transfer Out	77,456
<b>Totals</b>	<b>\$1,533,589</b>



**TABLE 13. DISTRICT PARK EXPENDITURES SUMMARY**

<b>Description</b>	<b>2020-2021 Park Budget Amount<sup>14</sup></b>
Salaries and Benefits	\$25,223
Dog Park	500
Repair & Maintenance	7,300
Utilities	35,000
Janitorial Services	12,500
Safety Equipment	1,000
Park Master Plan	10,611
Admin Allocation Transfer Out	15,491
<b>Totals</b>	<b>\$107,625</b>

The overall fiscal impact that development will have on the District’s expenditures is based upon the assumption that the current per capita expenditures will serve as the best indicator of future per capita expenditures. Therefore, to best allocate the District expenditures to future development, the multiplier approach is utilized.

### **District Expenditure per Person Served**

As previously noted in Table 1, the total number of persons served in the District is 4,044. Utilizing the multiplier approach, the number of persons served is applied to the expenditure line item to determine the allocable expenditure per person. The tables below provides the expenditure per person for each of the expenditure categories.

**TABLE 14. DISTRICT FIRE EXPENDITURES PER PERSON SERVED**

Description	2020-2021 Budget Amount <sup>14</sup>	Persons Served	Annual Amount per Person Served
Cal Fire Contract	\$1,056,071	4,044	\$261.15
Salaries and Benefits	64,834	4,044	16.03
Retiree Medical	14,350	4,044	3.55
Unfunded Pension Liability	62,730	4,044	15.51
Radio Communications	5,000	4,044	1.24
Fuel	14,820	4,044	3.66
Protective Clothing/Wildland	7,000	4,044	1.73
Medical Supplies/EMS Equip.	1,500	4,044	0.37
Small Tools & Safety Equipment	4,500	4,044	1.11
Repair & Maint.-Station General	7,000	4,044	1.73
Repair & Maint.-Apparatus	16,500	4,044	4.08
Repair & Maint.- Equipment	2,000	4,044	0.49
SCBA Equipment	7,500	4,044	1.85
Utilities	18,628	4,044	4.61
Office & Cleaning Supplies	4,900	4,044	1.21
Training	2,000	4,044	0.49
Fire Prevention Supplies/Events	500	4,044	0.12
Jones Hill Fire Break (Grant) <sup>15</sup>	166,300	n/a	0.00
Admin Allocation Transfer Out	77,456	4,044	19.15
<b>Total Fire Expenditures per Person Served</b>	<b>\$1,533,589</b>		<b>\$338.10</b>

**TABLE 15. DISTRICT PARKS EXPENDITURES PER PERSON SERVED**

Description	2020-2021 Budget Amount <sup>14</sup>	Persons Served	Annual Amount per Person Served
Salaries and Benefits	\$25,223	4,044	\$6.24
Dog Park	500	4,044	0.12
Repair & Maintenance	7,300	4,044	1.81
Utilities	35,000	4,044	8.65
Janitorial Services	12,500	4,044	3.09
Safety Equipment	1,000	4,044	0.25
Park Master Plan	10,611	4,044	2.62
Admin Allocation Transfer Out	15,491	4,044	3.83
<b>Total Parks Expenditures per Person Served</b>	<b>\$107,625</b>		<b>\$26.61</b>

Based upon the anticipated budget amount and the number of persons served, the District services result in Fire and Parks expenditures of \$364.72 per person served.

### District Expenditure per Unit

Based upon the expenditures per person served calculated in Tables 14 and 15, the rate per person served is calculated by the number of persons served per property land use type to determine the total expenditures per property land use unit. The table below provides the expenditure per unit, by property land use type.

**TABLE 16. DISTRICT EXPENDITURES PER UNIT**

Description	Fire Costs per Person Served	Calls for Fire Service Impact Factor Served	Adjusted Fire Costs per Person Served	Parks Cost per Person Served <sup>17</sup>	Total Costs per Person Served	Persons Served	Occupancy Factor	Total Expenditures per Unit
Residential Amount	\$338.10	1.00	\$338.10	\$26.61	\$364.72	2.15	1.00	<b>\$784</b>
Hotel Amount	338.10	1.32	446.43	0.00	446.43	2.00	0.66	<b>589</b>
RV Park Amount	338.10	1.32	446.43	0.00	446.43	2.00	0.69	<b>616</b>
Commercial Amount	338.10	1.99	672.92	26.61	699.54	2.10	1.00	<b>1,469</b>

<sup>17</sup> Parks Costs per Person Served not applied to Hotels or RV Parks, as these are typically only overnight visitors

## SECTION 5 | FISCAL IMPACT

Based on the estimated total revenue determined in Section 3 and the total allocated expenditures presented in Section 4, there is a negative fiscal impact for property land use types. The table below sets forth the total anticipated fiscal impact for the various residential and non-residential land uses.

**TABLE 17. ANNUAL FISCAL IMPACT**

Description	District Revenue	District Expenditures	Annual Fiscal Impact	Per
Residential Amount	\$489	\$784	(\$295)	Dwelling Unit
Hotel Amount	135	589	(455)	Room
RV Park Amount	59	616	(557)	Space
Commercial Amount	561	1,469	(908)	1,000 Building Square Feet

Based on revenue and expenditure estimates, all land use types create a varying negative fiscal impact for the District’s Fire and Parks operating funds.

To mitigate any negative fiscal impacts from future development, the District should consider the establishment of a Special Financing District. Alternatives for the District’s consideration are presented in Section 6 of this fiscal impact analysis.

## SECTION 6 | ENHANCED FIRE SERVICES COSTS

Future development needs to provide funding for enhanced levels of fire service within the District. The District has determined that future development within the District will require six additional full time CalFire employees. The total increase to the CalFire budget is anticipated to be \$1,167,864, including additional District administrative costs. Currently, the District does not have a long-term funding source to pay for the enhanced level of services needed as a result of future development. To provide a long-term funding solution, the enhanced fire services costs should be included in the CFD and recovered from future development. The call-adjusted additional persons served within the District is shown in the table below.

**TABLE 18. CALL-ADJUSTED ADDITIONAL PERSONS SERVED**

Description	Forecasted Additional Units <sup>18</sup>	Persons Served per Unit	Occupancy Factor	Calls for Fire Service Impact Factor	Forecasted Call-Adjusted Additional Persons Served
Residential Amount	585	2.15	1.00	1.00	1,258
Hotel Amount	200	2.00	0.66	1.32	349
RV Park Amount	88	2.00	0.69	1.32	160
Commercial Amount	34.8	2.10	1.00	1.99	145
<b>Total</b>					<b>1,912</b>

The following table shows the enhanced services cost per call-adjusted additional person served.

**TABLE 19. ENHANCED FIRE SERVICES COST PER CALL-ADJUSTED PERSON SERVED**

Description	Amount
Enhanced Fire Services Costs	\$1,167,864
Call-Adjusted Additional Persons Served	1,912
<b>Enhanced Fire Services Cost per Call-Adjusted Additional Person Served</b>	<b>\$611</b>

<sup>18</sup> Impact Fee Study, as provided by Colgan Consulting Corporation. Dwelling Units for Residential; Rooms for Hotel; Spaces for RV Park; 1,000 square feet of building area for Commercial

The following table shows the enhanced services costs for the various residential and non-residential land uses.

**TABLE 20. ENHANCED SERVICES AMOUNT PER UNIT**

Description	Enhanced Fire Services Cost per Call Adjusted Additional Persons Served	Call-Adjusted Additional Persons Served	Total Enhanced Fire Services Amount	Enhanced Fire Services Amount per Unit	Per
Residential Amount	\$611	1,258	\$768,191	\$1,313	Dwelling Unit
Hotel Amount	611	349	212,902	1,065	Room
RV Park Amount	611	160	97,935	1,113	Space
Commercial Amount	611	145	88,836	2,553	1,000 Building Square Feet

## SECTION 7 | FISCAL IMPACT FUNDING OPTIONS

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To mitigate the negative fiscal impacts identified in Section 5 of this report, the District should consider the establishment of a special financing district (“SFD”), which could include a special tax or a special assessment. Since the District’s negative fiscal impacts are attributable to the provision of general services, a special assessment may not be the most appropriate funding option for the District to mitigate those impacts. Special assessments require the identification and separation of general and special benefits. Special benefits can be assessed to property, but all general benefits must be funded by sources other than the special assessments. Therefore, a special assessment would not entirely alleviate the negative fiscal impact. Alternatively, the District could implement a special tax.

### Community Facilities Districts

A Community Facilities District, or CFD and also referred to as a Mello-Roos District, is a type of SFD that is established via the Mello-Roos Community Facilities District Act of 1982 (“1982 Act”). Through the levy and collection of a special tax, CFDs provide funding for authorized public improvements and/or public services. The CFD’s Rate and Method of Apportionment includes procedures for identifying and classifying property within the CFD, establishing the initial maximum special tax rates, and the formula for calculating the annual special tax and assigning the special tax to taxable property within the CFD. Since CFDs authorize the levy and collection of a special tax, as opposed to a special assessment, there is no requirement to make a finding of special benefit for the property subject to the special tax. However, the special tax should be based on a benefit received by property, the cost of providing the facilities or services, or some other reasonable basis for assigning the special tax, as determined by the legislative body.

In order to establish a CFD, the 1982 Act requires a two-thirds approval of the registered voters, residing within the proposed CFD boundary, voting in the special tax election. If there are less than 12 registered voters within the proposed CFD boundaries, then a landowner special tax election can take place. In the case of a landowner special tax election, a two-thirds approval is still required and each landowner receives one vote per acre or portion of an acre of land owned. It should be noted that if a CFD is approved via a landowner special tax election, the CFD is only authorized to fund additional services. In *Building Industry Association of the Bay Area v. City of San Ramon*, the California Appellate Court held that a landowner-approved CFD can only fund the increase in demand for pre-existing services, so long as the special tax revenue is not available for general government purposes. The additional services funded by the CFD shall not replace services already available and provided within the boundaries of the CFD. Further, special tax revenue generated from the CFD can only be used to fund the authorized public services set forth in the 1982 Act. CFD authorized public services include fire protection services and maintenance and lighting of parks. It should be noted that any CFD formed by the District, as well as any potential annexations to that CFD, would be approved by a landowner special tax election, as new development projects would be required to participate in the CFD as a condition of approval.

### FUTURE DEVELOPMENT SPECIFIC COSTS

In addition to using a CFD to mitigate future residential development’s negative fiscal impacts, the CFD can also fund authorized CFD services that are intended to provide an enhanced level of service or services that are unique to future development. These services would be in addition to any previously identified

negative fiscal impacts placed upon the District in providing fire protection services. Funding for any enhanced and/or additional recurring public service costs, including repairs and replacements, reserves and administration can be accomplished through a CFD.

### BENEFITS TO THE DISTRICT

Through the formation of a CFD, the District can establish an ongoing funding source that mitigates the negative fiscal impacts created by future residential and non-residential development, as well as provide funding for new or enhanced services within the District. The CFD’s maximum special tax rate can include an annual escalation factor, to keep pace with changing costs, that is based upon an annual fixed amount or an escalation factor that is tied to a specific inflation index. Further, the CFD special tax can be established without a sunset date so that the CFD special tax can be levied in perpetuity or until the voters choose to end it.

### CFD Special Tax Recommendation

In order for the District to continue to provide necessary services to their population base, the District needs to ensure that developing property pays their fair share of any additional fiscal burdens placed upon the District’s operational budget, including additional services required as a result of such development. To mitigate the negative fiscal impacts, the District should consider establishing a CFD. The levy and collection of the special tax could generate sufficient revenue to offset the negative fiscal impacts to the District. Further, the CFD provides the flexibility to generate additional revenue to fund any enhanced or new project specific costs desired by future development. The CFD’s Rate and Method of Apportionment establishes the special tax formula and sets the initial maximum special tax rates. A benefit of the CFD is that it allows for a great deal of flexibility in structuring the special tax formula so that the formula and maximum special tax rates best fit and accomplish specific needs. In this particular case, the CFD special tax rates could be sized to recover the annual negative fiscal impact on development, recover ongoing administrative costs related to the CFD, and be structured to create both a residential special tax rate and non-residential special tax rate.

### CFD SPECIAL TAX RATES

Based on the overall fiscal impacts created by future development, the proposed annual base CFD special tax rates for consideration are provided in the table below.

**TABLE 21. PROPOSED CFD SPECIAL TAX RATES**

Land Use Category	Existing Fire Budget Fiscal Impact	Existing Parks Budget Fiscal Impact	Total Existing Budget Fiscal Impact	Enhanced Fire Services Fiscal Impact	Total CFD Special Tax Rate <sup>19</sup>	Per
Residential	(\$270)	(25)	<b>(\$295)</b>	<b>(\$1,313)</b>	\$1,609	Dwelling Unit
Hotel	(463)	9	<b>(455)</b>	<b>(1,065)</b>	1,519	Room
RV Park	(561)	4	<b>(557)</b>	<b>(1,113)</b>	1,670	Space
Commercial	(889)	(19)	<b>(908)</b>	<b>(2,553)</b>	3,461	1,000 Building Square Feet

<sup>19</sup> Rates for services portion; does not include potential CFD administration or reserve/contingency costs



The CFD special tax rates presented in Table 21 would represent the initial CFD maximum special tax rates to fund the identified negative fiscal impacts. The District could also increase the initial CFD maximum special tax rates to cover the added costs for administering the CFD, as well as establish any reserves or contingency funds. Further, the CFD would be structured to include a special tax escalation factor, which would allow for an annual increase to the initial CFD maximum special tax rates. While the CFD maximum special tax rates would increase on an annual basis, the District is not required to levy the special tax at the CFD maximum special tax rates each year. In order to meet the CFD annual special tax requirement, authorized services and administrative costs, the District has the flexibility to levy a CFD special tax amount that is less than or equal to the CFD maximum special tax.

EXHIBIT C

GROVELAND COMMUNITY SERVICES DISTRICT  
COMMUNITY FACILITIES DISTRICT NO. 2021-1  
(PUBLIC SERVICES)

NOTICE OF PUBLIC HEARING

Notice is hereby given that the Board of Directors of Groveland Community Services District will conduct a public hearing on Tuesday, July 13, 2021, at 10:00 a.m. or as soon thereafter as the matter may be heard, at the Board Chambers, 18966 Ferretti Road, Groveland, California, to consider the following:

GROVELAND COMMUNITY SERVICES DISTRICT  
COMMUNITY FACILITIES DISTRICT NO. 2021-1  
(PUBLIC SERVICES)

On June 8, 2021, the Board of Directors (the "Board") of Groveland Community Services District (the "District") adopted a Resolution entitled "A Resolution of the Board of Directors of Groveland Community Services District, Declaring Its Intention to Establish a Community Facilities District Initially Consisting Solely of Territory Proposed for Annexation to the Community Facilities District in the Future and to Authorize the Levy of Special Taxes Therein" (the "Resolution of Intention"). Reference is hereby made to the Resolution of Intention on file in the office of the Board Secretary for further particulars.

In the Resolution of Intention, the Board declared its intention to form the Groveland Community Services District Community Facilities District No. 2021-1 (Public Services) (the "CFD") to finance the costs of fire protection and suppression services, ambulance and paramedic services, and park maintenance and landscaping services, as further identified in an exhibit to the Resolution of Intention. The proposed boundaries of the Future Annexation Area of the CFD were identified in another exhibit to the Resolution of Intention.

In the Resolution of Intention, the Board provided that the levy of the special tax will be subject to the unanimous approval of an owner or owners of a parcel or parcels at the time that such parcel or parcels are annexed to the CFD, and the Board called for a public hearing on the CFD.

At the hearing, the testimony of all interested persons or taxpayers for or against the establishment of the CFD, the extent of the CFD or the furnishing of specified types of services will be heard. Any person interested may file a protest in writing with the Board Secretary. If 50 percent or more of the registered voters, or six registered voters, whichever is more, residing within the territory proposed to be annexed to the CFD in the future, or if the owners of one-half or more of the area of land proposed to be annexed in the future and not exempt from the special tax, file written protests against establishment of the CFD, and protests are not withdrawn so as to reduce the protests to less than a majority, no further proceedings to form the CFD shall be undertaken for a period of one year from the date of decision of the Board on the issues discussed at the hearing. If the majority protests of the registered voters or of the landowners are only against the furnishing of a specified type or types of services within the CFD, or against levying a specified special tax, those types of services or the specified

special tax shall be eliminated from the resolution of formation.

Any person interested in these matters is invited to attend and present testimony either for or against the above item. If you challenge the proposed action in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or in written correspondence delivered to the Board during or prior to the public hearing.

  
Rachel Pearlman, Board Secretary  
Groveland Community Services District

## **RESOLUTION 22-2021**

### **A RESOLUTION OF THE BOARD OF DIRECTORS OF GROVELAND COMMUNITY SERVICES DISTRICT, ESTABLISHING THE FORMATION OF A COMMUNITY FACILITIES DISTRICT**

#### **GROVELAND COMMUNITY SERVICES DISTRICT COMMUNITY FACILITIES DISTRICT NO. 2021-1 (PUBLIC SERVICES)**

**WHEREAS**, under the Mello-Roos Community Facilities Act of 1982 (Sections 53311 and following, California Government Code; hereafter referred to as the “Act”), the Board of Directors (the “Board”) of the Groveland Community Services District (the “District”) may commence proceedings for the establishment of a community facilities district, and

**WHEREAS**, Section 53328.1 of the Act provides for an alternate and independent procedure for forming a community facilities district, in which the Board may form a community facilities district that initially consists solely of territory proposed for annexation to the community facilities district in the future, with the condition that a parcel or parcels within that territory may be annexed to the community facilities district and subjected to the special tax only with the unanimous approval of the owner or owners of the parcel or parcels at the time that the parcel or parcels are annexed, and

**WHEREAS**, on June 8, 2021, the Board adopted Resolution No. 18-2021 entitled “A Resolution of the Board of Directors of the Groveland Community Services District Declaring its Intention to Establish a Community Facilities District Initially Consisting Solely Territory Proposed for Annexation to the Community Facilities District in the Future and to Authorize the Levy of Special Taxes” (the “Resolution of Intention”), stating its intention to form the Groveland Community Services District Community Facilities District No. 2021-1 (Public Services) (the “CFD”), pursuant to the Act; and

**WHEREAS**, the Resolution of Intention, incorporating a map of the proposed boundaries of the future annexation area of the CFD and stating the services to be provided, is on file with the Board Secretary and the provisions thereof are incorporated herein by this reference as if fully set forth herein; and

**WHEREAS**, the Resolution of Intention called for a public hearing pertaining to the formation of the CFD and the levy of said special tax to be held on Tuesday, July 13, 2021, at 10:00 a.m. or as soon thereafter as the matter may be heard, at the meeting place of the Board; and

**WHEREAS**, under the Resolution of Intention, the Board Secretary was directed to cause notice of said public hearing to be given by publication one time in a newspaper published in the area of the CFD, and the Board Secretary caused the publication of such notice at least seven (7) days before the date set for said public hearing; and

**WHEREAS**, on this date, this Board held a noticed public hearing as required by the Act and the Resolution of Intention relative to the proposed formation of the CFD; and

**WHEREAS**, at the public hearing all interested persons desiring to be heard on all matters pertaining to the formation of the CFD, the services to be provided therein and the levy of such special tax were heard and a full and fair public hearing was held; and

**WHEREAS**, written protests with respect to the formation of the CFD and the furnishing of specified types of services have not been filed with the Board Secretary by fifty percent (50%) or more of the registered voters residing within the territory of the CFD or property owners of one-half (1/2) or more of the area of land within the CFD and not exempt from the proposed special tax; and

NOW THEREFORE BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF THE GROVELAND COMMUNITY SERVICES DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

1. The foregoing recitals are true and correct.
2. The establishment of the CFD has not been precluded by majority protest pursuant to Section 53328.1 (a)(4) of the Act.
3. All prior proceedings taken by the Board in connection with the establishment of the CFD and the levy of the special tax have been duly considered and are hereby found and determined to be valid and in conformity with the requirements of the Act. The Board has heretofore adopted Local Goals and Policies for Community Facilities Districts, and the Board hereby finds and determines that the CFD is in conformity with said goals and policies.
4. The community facilities district designated as the "Groveland Community Services District, Community Facilities District No. 2021-1 (Public Services)" is hereby established pursuant to the Act.
5. The boundaries of the future annexation area of the CFD, as set forth in the map entitled "Proposed Boundaries of Future Annexation Area of Community Facilities District No. 2021-1 (Public Services), Groveland Community Services District, County of Tuolumne, State of California" heretofore recorded in the Tuolumne County Recorder's Office on June 10, 2021, in Book 3 at Page 16 of Maps of Assessment and Community Facilities Districts, as Document # 2021009112, are hereby approved, are incorporated herein by reference and shall be the boundaries of the future annexation area of the CFD.
6. The type of public services proposed to be financed by the CFD and pursuant to the Act shall consist of those items shown in Exhibit A hereto and by this reference incorporated herein (the "Services"). It is hereby found and determined that the Services are necessary to meet the increased demands as the result of development occurring in the CFD.
7. The appropriations limit for the CFD and the applicable rate of the special tax and the method of apportionment and manner of collection of that tax shall be specified and be approved by the unanimous approval of the owner or owners of each parcel or parcels at the time that the parcel or parcels are annexed to the CFD. The maximum rate of special tax applicable to a parcel or parcels shall be specified in the unanimous approval relating to the parcel or parcels. Except to the extent that funds are

otherwise available to the CFD to pay for the Services, a special tax sufficient to pay the costs thereof, secured by the recordation of a continuing lien against all non-exempt real property annexing to the CFD in the future, will be levied annually within the CFD pursuant to the rate and method of apportionment, and collected in the same manner as ordinary ad valorem property taxes or in such other manner as the Board or its designee shall determine, including direct billing of the affected landowners.

8. The General Manager of Groveland Community Services District, 18966 Ferretti Road, Groveland, California 95321, telephone number (209) 962-7161, is the officer of the CFD who will be responsible for preparing annually a current roll of the levy of the special tax obligations by assessor's parcel number and who will be responsible for estimating future levies of the Special Tax.

9. Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the California Streets and Highways Code, a continuing lien to secure each levy of the special tax shall attach to all nonexempt real property annexing into the CFD in the future and this lien shall continue in force and effect until the collection of the special tax by the CFD ceases.

10. This Resolution shall take effect upon its adoption.

**WHEREFORE**, this Resolution is passed and adopted by the Board of Directors of the Groveland Community Services District on July 13, 2021, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

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Rachel Pearlman, Board Secretary

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Janice Kwiatkowski, President - Board of Directors

### **CERTIFICATE OF SECRETARY**

I, Rachel Pearlman, the duly appointed and acting Secretary of the Board of Directors of the Groveland Community Services District, do hereby declare that the foregoing Resolution was duly passed and adopted at a Regular Meeting of the Board of Directors of the Groveland Community Services District, duly called and

held on July 13, 2021.

DATED: \_\_\_\_\_

## EXHIBIT A

### GROVELAND COMMUNITY SERVICES DISTRICT COMMUNITY FACILITIES DISTRICT NO. 2021-1 (PUBLIC SERVICES)

#### DESCRIPTION OF SERVICES TO BE FINANCED BY THE CFD

##### Services:

The services to be funded, in whole or in part, by the community facilities district (the "CFD") consist of all services authorized under Section 53313 of the Government Code, including, but not be limited to, fire protection and suppression services, ambulance and paramedic services, and park maintenance and landscaping services (the "Services"). The Services include all direct and incidental costs related to providing for the maintenance of public infrastructure within the area of the CFD and areas adjacent to or in the vicinity of such areas. The CFD may fund any of the following related to the Services: furnishing, operating and maintaining equipment, apparatus or facilities related to providing the services and/ or equipment, apparatus, facilities or fixtures in areas to be maintained, paying the salaries and benefits of personnel necessary or convenient to provide the Services, payment of insurance costs and other related expenses and the provision of reserves for repairs and replacements and for the future provision of Services. It is expected that the Services will be provided by the Groveland Community Services District (the "District"), either with its own employees or by contract with third parties, or any combination thereof.

The Services to be financed by the CFD are in addition to those provided in the territory of the CFD before the date of creation of the CFD and will not supplant services already available within that territory when the CFD is created.

##### Administrative Expenses:

The administrative expenses to be funded by the CFD include the direct and indirect expenses incurred by the District in carrying out its duties with respect to the CFD (including, but not limited to, the levy and collection of the special taxes) including the fees and expenses of attorneys, any fees of the County of Tuolumne related to the CFD or the collection of special taxes, an allocable share of the salaries of the District staff directly related thereto and a proportionate amount of the District's general administrative overhead related thereto, any amounts paid by the District from its general fund with respect to the CFD or the services authorized to be financed by the CFD, and expenses incurred by the District in undertaking action to foreclose on properties for which the payment of special taxes is delinquent, and all other costs and expenses of the District in any way related to the CFD.

##### Other:

The incidental expenses that may be funded by the CFD include, in addition to the administrative expenses identified above, the payment or reimbursement to the District of all costs associated with the establishment and administration of the CFD.



**PUBLIC NOTICE OF INTRODUCTION OF ORDINANCE**

GROVELAND COMMUNITY SERVICES DISTRICT

ORDINANCE NO. \_\_\_\_\_

NOTICE IS HEREBY GIVEN that on July 13, 2021, the Board of Directors of the Groveland Community Services District introduced Ordinance No. \_\_\_\_\_, entitled:

**AN ORDINANCE OF THE BOARD OF DIRECTORS OF GROVELAND COMMUNITY SERVICES DISTRICT AUTHORIZING THE LEVY OF SPECIAL TAXES ON PARCELS THAT WILL ANNEX TO A COMMUNITY FACILITIES DISTRICT**

If adopted, this ordinance will authorize the levy of a special tax on parcels that will annex to Community Facilities District No. 2021-1 (Public Services) (the "CFD"), at the rate or rates to be approved unanimously by the owner or owners of each parcel or parcels to be annexed to the CFD and for apportionment and collection of the Special Tax in the manner specified in the Resolution of Formation approved by the Board of Directors on July 13, 2021, by Resolution No. \_\_\_\_\_. The special tax levy would commence in fiscal year 2022/23 and each fiscal year thereafter to pay for the costs of services and administering the CFD. The special tax shall be collected in the same manner as ordinary ad valorem taxes are collected and shall have the same lien priority, and be subject to the same penalties and the same procedure and sale in cases of delinquency as provided for ad valorem taxes. This ordinance will be considered for adoption at the Regular Meeting of the Board of Directors on Tuesday, August 10, 2021, at 10:00 a.m.

A certified copy of the full text of Ordinance No. \_\_\_\_\_ is available for review in the Office of the Secretary of the Board, 18966 Ferretti Road, Groveland, California 95321.

\_\_\_\_\_  
Secretary of the Board  
Groveland Community Services District

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE OF THE BOARD OF DIRECTORS OF GROVELAND  
COMMUNITY SERVICES DISTRICT AUTHORIZING THE LEVY OF SPECIAL  
TAXES ON PARCELS THAT WILL ANNEX TO A COMMUNITY FACILITIES  
DISTRICT**

**GROVELAND COMMUNITY SERVICES DISTRICT  
COMMUNITY FACILITIES DISTRICT NO. 2021-1  
(PUBLIC SERVICES)**

**WHEREAS**, this Board of the Groveland Community Services District (the “Board”) on June 8, 2021, adopted Resolution No. 18-2021 entitled “A Resolution of the Board of Directors of the Groveland Community Services District Declaring its Intention to Establish a Community Facilities District Initially Consisting Solely Territory Proposed for Annexation to the Community Facilities District in the Future and to Authorize the Levy of Special Taxes” (the “Resolution of Intention”) and has conducted proceedings (the “Proceedings”) to establish the Groveland Community Services District Community Facilities District No. 2021-1 (Public Services) (the “CFD”) pursuant to the Mello-Roos Community Facilities Act of 1982 (Sections 53311 and following, California Government Code; hereafter referred to as the “Act”) to provide for the costs of fire protection and suppression services, ambulance and paramedic services, and park maintenance services (the “Services) as provided in the Act; and

**WHEREAS**, the Resolution of Intention called for a public hearing to be held on July 13, 2021, and as part of the Proceedings, the Board held a public hearing under the Act relative to the determination to proceed with the formation of the CFD and the special tax (the “Special Tax”) to be levied within the CFD to finance the Services and at such hearing all persons desiring to be heard on all matters pertaining to the formation of the CFD and the levy of the Special Tax were heard, substantial evidence was presented and considered by this Board and a full and fair hearing was held; and

**WHEREAS**, upon the conclusion of the hearing, this Board adopted a resolution entitled “A Resolution of the Board of Directors of Groveland Community Services District, Establishing the Formation of a Community Facilities District” (the “Resolution of Formation”), whereby the Board (i) established the CFD and (ii) authorized the levy of the Special Tax on parcels that will annex to the CFD, pursuant to the Act; and

**NOW THEREFORE BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF THE GROVELAND COMMUNITY SERVICES DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:**

1. The foregoing recitals are true and correct.
2. By the passage of this Ordinance, the Board hereby authorizes the levy of the Special Tax on parcels that will annex to the CFD at the rate or rates to be approved unanimously by the owner or owners of each parcel or parcels to be annexed to the CFD and for apportionment and collection of the Special Tax in the manner specified in the Resolution of Formation.
3. The General Manager of the Groveland Community Services District or designee or employee or consultant of the Groveland Community Services District is hereby authorized and directed each fiscal year to determine the specific Special Tax to be levied for the next ensuing fiscal year for each parcel of real property within the CFD, in the manner and as provided in the Resolution of Formation.

4. Exemptions from the levy of the Special Tax shall be as provided in the Resolution of Formation and the applicable provisions of the Act. In no event shall the Special Tax be levied on any parcel within the CFD in excess of the maximum Special Tax approved unanimously by the owner or owners of each parcel or parcels to be annexed to the CFD.

5. All of the collections of the Special Tax shall be used as provided in the Act and in the Resolution of Formation, including, but not limited to, the payment of the costs of the Services, the payment of the costs of the Groveland Community Services District in administering the CFD, and the costs of collecting and administering the Special Tax.

6. The Special Tax shall be collected in the same manner as ordinary ad valorem taxes are collected and shall have the same lien priority, and be subject to the same penalties and the same procedure and sale in cases of delinquency as provided for ad valorem taxes; provided, however, that the Board may provide for other appropriate methods of collection by resolution(s) of the Board of Directors. The General Manager of the Groveland Community Services District is hereby authorized and directed to provide all necessary information to the auditor/tax collector of the County of Tuolumne in order to effect proper billing and collection of the Special Tax, so that the Special Tax shall be included on the secured property tax roll of the County of Tuolumne for fiscal year 2022/23 and for each fiscal year thereafter until no longer required to pay for the Services or until otherwise terminated by the Groveland Community Services District.

7. Under Section 50075.1 of the Government Code, the following accountability provisions shall apply to the special taxes: (a) the provision and/or acquisition of the Services and the incidental costs thereof, all as defined in the Resolution of Formation, shall constitute the specific single purpose of the special tax; (b) the proceeds shall be applied only to the specific purposes identified in (a) above; (c) there shall be created special account(s) or funds(s) into which the proceeds shall be deposited; (d) there shall be caused to be prepared an annual report of the CFD containing the information set forth in Section 50075.3 of the Government Code.

8. If for any reason any portion of this ordinance is found to be invalid, or if the Special Tax is found inapplicable to any particular parcel within the CFD, by a court of competent jurisdiction, the balance of this ordinance and the application of the Special Tax to the remaining parcels within the CFD shall not be affected.

9. The President of the Board shall sign this Ordinance and the Secretary of the Board shall cause the same to be published immediately after its passage at least once in a newspaper of general circulation.

10. This Ordinance shall take effect upon its adoption.

INTRODUCED and first read on the 13<sup>th</sup> day of July, 2021; and PASSED AND ADOPTED this 10<sup>th</sup> day of August, 2021.

**DATED:**

**ROLL CALL:**

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

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PRESIDENT OF THE BOARD

**ATTEST:**

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Secretary of the Board