

TYPICAL FORMATION PROCESS FOR COMMUNITY FACILITIES DISTRICT



START OF PROCESS

Petition initiated CFD

1. 10% Landowners [53319]
2. 10% Registered Voters
3. Payment of preformation costs [53318d]

Local Agency Initiated CFD

1. Written request of 2 members of legislative body, or [53318]
2. Majority approval of legislative body

Within
90 days
[53320]

LEGISLATIVE BODY COMMENCES PROCEEDINGS

1. Adopts Goals and Policies [53321]
2. Adopts Resolution of Intention ("ROI") which:
 - a. Describes boundaries
 - b. States the name of CFD
 - c. Describes public facilities and services
 - d. State that special tax is sufficient to pay for all facilities and services
 - e. Fix a time and place of a Public Hearing (PH)
 - f. Describe any adjustments in property taxation
 - g. Describe voting procedure

Record
Boundary
Map

Prepare CDF Report

PH held not less than 30 days for not more than 60 days from adoption of Resolution of Intention [53321e]

REQUIRED: Publish notice (not later than 7 days before PH) [53322]

OPTION: Mailed notice (not later than 15 days before PH) [53521]

PUBLIC HEARING

May be continued up to 30 days or with finding up to 6 months [53325]

If no majority protest, the Legislative Body: [53325.1]

1. Adopts the Resolution of Formation ("ROF") which:
 - a. State proposed special tax has not been precluded by majority protest
 - b. Identify any facilities or services proposed
 - c. Set forth responsible party for levying special taxes
 - d. State that recordation of notice of special tax is a continuing lien attached to all nonexempt real property
 - e. Set forth the county of recordation and book and page where boundary map has been recorded
2. Adopts the resolution of incur Bounded Indebtedness*
3. Sets the election date See also [53326]

If more than 50% of registered of voters or if the owners of more than 50% of the land area protest, then CFD is abandoned for 1 year. If majority protest is only against specific facilities, services or special tax, only that facility, service or tax must be eliminated. [53324]

GENERAL ELECTION OR SPECIAL ELECTION [53326a]

At least 90 but no more than 180 days following adoption of ROF (unless time period shortened by 100 % of electors)

2/3 vote required (if less than 12 registered voters or if no tax on residential property – landowner election) [53329 & 53326]

Voters consider

1. Levy of Special Tax
2. Establish appropriations limit
3. Authorize issuance of bonds*

ACTIONS BY LEGISLATIVE BODY

1. Certify election results
2. Enact ordinance to levy special tax
3. Authorize issuance of bonds*
4. Approve Preliminary Official Statement and certain bond documents*

1. Record Notice of Special Tax Lien (within 15 days)
2. Initiative validation proceedings, if necessary
3. 30 day statute of limitations [53328.3]

1. Sell and deliver bonds and receive bond proceeds*
2. Initiate construction or acquisition*
3. Commence activities to administer debt*, levy and collect special taxes, and comply with continuing disclosure and arbitrage requirements*

*Represents items related to bonded CFDs.

Numbers in [xxxxx] refer to the applicable California Government Code