



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: DECEMBER 2, 2025**
FROM: FINANCE DEPARTMENT **WARD: 5**
SUBJECT: ADOPT AN ORDINANCE AUTHORIZING THE ANNUAL LEVY OF SPECIAL TAXES WITHIN CFD NO. 2025-2 (SAGECREST)

ISSUE:

Adopt an Ordinance authorizing the levy of Special Taxes within CFD No. 2025-2 (Sagecrest).

RECOMMENDATION:

That the City Council adopt an Ordinance authorizing the levy of special taxes within CFD 2025-2 (Sagecrest)

INTRODUCTION OF ORDINANCE:

On October 28, 2025, the City Council conducted a public hearing for the formation of Community Facilities District No. 2025-2 (Sagecrest), adopted resolutions establishing the District and certifying the special tax election results, introduced an ordinance authorizing the levy of special taxes within the CFD, and authorized the Chief Financial Officer to process all necessary financial and accounting transactions related to the one-time formation costs. The motion carried unanimously with Councilmember Conder absent.

BACKGROUND:

On September 16, 2025, City Council adopted Resolution No. 24305 declaring its intention to establish CFD No. 2025-2 (Sagecrest), as well as to authorize the levy of a special tax on the property within the defined district to pay the costs of providing public services.

Additionally during the September 16, 2025 City Council meeting, a public hearing was scheduled for October 28, 2025, to consider the formation of the District and the proposed special taxes. Following that hearing, the Council took actions including adoption of resolutions establishing the District, introduction of the ordinance authorizing the levy of special taxes, and authorization for the Chief Financial Officer to process all necessary financial transactions.

DISCUSSION:

Following the City Council's introduction of the ordinance authorizing the levy of special taxes within Community Facilities District No. 2025-2 (Sagecrest), the final step in the formation process is the adoption of the ordinance. Adoption of the ordinance implements the results of October 28, 2025 special tax election and formally authorizes the City to levy the approved special taxes within

the District.

FISCAL IMPACT:

There is no fiscal impact related to receiving this report. The special taxes estimated to be collected as a result of this ordinance are \$84,102 for Special Tax A and \$6,509 for Special Tax B for Fiscal Year 2026/27. These revenues will be used to offset incremental costs of providing public safety and maintenance services within the District.

Prepared by: Meline Carranza, Debt and Treasury Manager
Approved by: Sergio Aguilar, Deputy Finance Director

Attachment: Ordinance