

RESOLUTION NO. 2009-221

Adopted by the Sacramento City Council

April 14, 2009

AUTHORIZING REFUNDS TO PROPERTY OWNERS WITHIN WESTLAKE COMMUNITY FACILITIES DISTRICT NO. 2000-01 OF TAX OVERPAYMENTS FOR 2008-2009

BACKGROUND:

- A. In April 2001, the City of Sacramento issued \$11,890,000 of bonds under the Mello-Roos Community Facilities Act of 1982 (the "Act"). Under the Act, the City annually collects a special tax used to pay debt-service on the bonds. The special tax shows up on the annual county tax bill as a separate line item.
- B. The "maximum special tax," which is a cap on the tax actually levied, is subject to a 2% escalator set forth in the Rate and Method of Apportionment of Special Tax. The tax actually levied may be less than or equal to the maximum special tax but may not exceed it. Since 2001, of the special tax on property within Westlake Community Facilities District (the "CFD") has been levied, on average, at about 82% of the allowable maximum special tax.
- C. If, in any year, special-tax revenues have decreased because of delinquencies, the Act authorizes the City to increase the special tax levied for that year by up to 10% over the prior year's levy so long as the increase does not cause the tax to exceed the current year's maximum special tax.
- D. To administer the tax, the City has contracted with Willdan Financial Services. Because Willdan erroneously calculated the special tax for the 2008/09 tax year, the special tax in the county tax bill sent to each owner of residential property in the district was too high.
- E. Upon review of the law and consultation with the City Attorney's Office, it is the recommendation of the Treasurer's Office that the City issue refund checks to each property owner who has paid at least the first installment of special taxes for the 2008/2009 tax year.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

The City Council hereby authorizes the City Treasurer (1) to issue to each taxpayer within the CFD who paid the first installment of the 2008-2009 taxes by March 20, 2009, a refund check in an amount equal to the taxpayer's overpayment, with the total amount refunded equal to \$90,643.13; and (2) to request that the Sacramento County Auditor-Controller send a revised tax bill to each taxpayer within the CFD who did not pay the first installment of the 2008-2009 taxes by March 20, 2009.

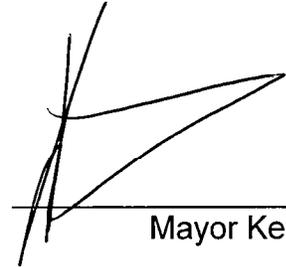
Adopted by the City of Sacramento City Council on April 14, 2009 by the following vote:

Ayes: Councilmembers Cohn, Fong, Hammond, McCarty, Pannell, Sheedy, Tretheway, Waters, and Mayor Johnson.

Noes: None.

Abstain: None.

Absent: None.



Mayor Kevin Johnson

Attest:


Shirley Concolino, City Clerk