



**CFD Community Meeting
September 28, 2021**



Introductions

- TRLIA Directors
 - Gary Bradford, Chairman, Yuba County Board of Supervisors (District 4)

- TRLIA Officers
 - Dan Mierzwa, Treasurer (Yuba County Treasurer-Tax Collector)
 - Richard Eberle, Auditor (Yuba County Auditor Controller)

- TRLIA Staff
 - Paul Brunner, Executive Director
 - Leslie Wells, Executive Assistant

- TRLIA Consultants
 - Kim Floyd, Public Outreach
 - Seth Wurzel, Financial Consultant / Special Tax Administrator



Presentation Outline

- Background on TRLIA
- Levee Improvement Funding
- Community Facility Districts (CFDs) and the Bond Workout Program
- Reductions in Special Tax Rates
- Q&A



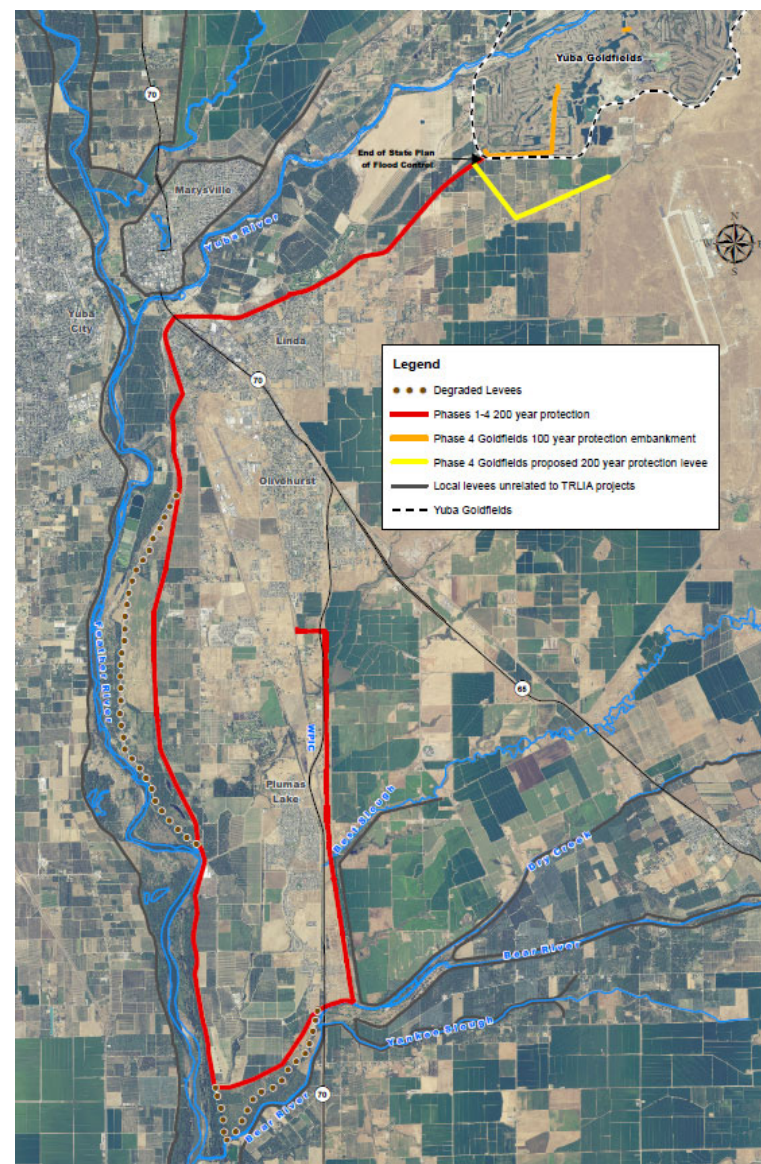
About TRLIA

Joint Powers Agency (JPA) Created in 2004 by Yuba County and Reclamation District 784

- Mission: Accomplish 100-yr and 200-yr urban flood control improvements in south Yuba County
- Responsible for planning, design, construction, land acquisition, ecological/cultural, permitting, financing
- Governed by five-member Board
- \$500M in flood protection, including those protecting Plumas Lake

TRLIA's Projects Protecting Plumas Lake

- Feather River Levee Improvement Project
 - Strengthen-in-place improvements & Feather River Setback Levee
- Upper Yuba Levee Improvement Project
 - Strengthen-in-place improvements
- Bear River Set Back Levee Project
- Western Pacific Interceptor Canal Project
- Goldfields 200-Year Setback Levee Project





Plumas Lake Levee Improvement Funding

Two main sources:

- Grants from State of California
 - More than \$290 Million
- Local Funding
 - Approximately \$100 Million
 - Sources
 - Development Impact Fees: one-time fee charged to all builders for each home built (collected when a building permit is finalized)
 - Proceeds from General Obligation Bonds issued by Yuba Water Agency & Yuba County ~\$47 Million



TRLIA CFDs

- In 2007, TRLIA needed local funding for levee improvements *before* impact fees could be collected
- CFDs created in April 2007 to finance impact fees up front
- Amounts financed varied by home builder / subdivision
- Each builder was placed into a CFD Tax Zone with tax rates set based on the amount of financed fees
- Bonds were issued and builders purchased bonds (“Builder Bonds”)
- Proceeds from the Builder Bonds were used by TRLIA to complete levee improvements
- Since April 2007, taxes have been levied at their maximum rates to paydown remaining impact fees due and the outstanding Builder Bonds



Plumas Lake Workout Agreement

- Executed in July 2021 by TRLIA, Yuba County and Yuba Water Agency
- Agencies collectively worked together to achieve the following goals:
 - a) Reduce levee impact fee amount, thereby aiding and incentivizing additional development and construction in the Plumas Lake area
 - b) Eliminate or refund and reduce the Builder Bonds obligations, and
 - c) Reduce the CFD Special Tax amounts paid by existing and future homeowners within the Plumas Lake area



TRLIA CFD Refunding Bonds

- On August 31, 2021, TRLIA redeemed approximately \$55.85 million of Builder Bonds.
- The new debt TRLIA issued to pay off the Builder Bonds totals \$39.55 million
 - In many cases, the developers received less than their bonds were worth
- The difference of \$16.3 million represents a reduction in the total amount of debt to be repaid from property owner's taxes
- The Builder Bond's interest rate was 7.68%, the new bond's have an interest cost of 3.306%, a reduction of more than 4.37%



Changes in Annual Tax Administration

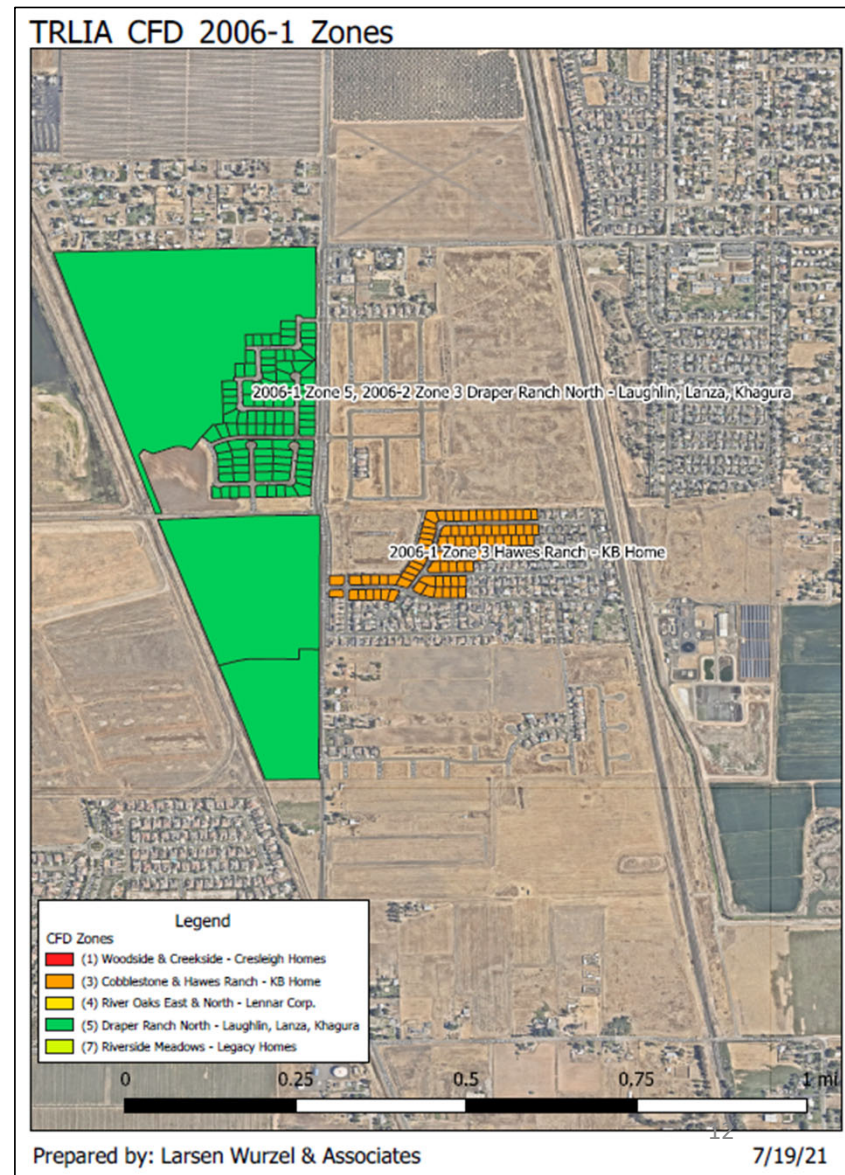
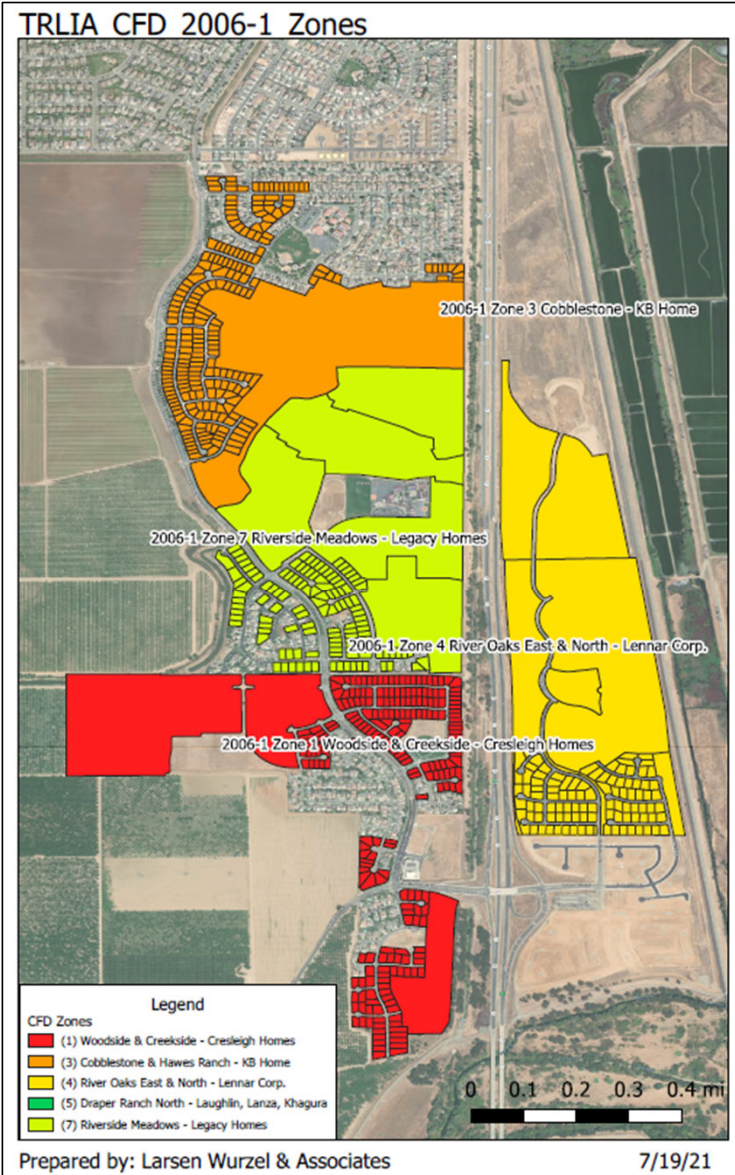
- Calculation of Annual Special Taxes
 - Annual Costs
 - In prior years, with the Builder Bonds, Annual Costs = Maximum Annual Special Taxes from Occupied Parcels.
 - With Conventional Debt, Annual Costs = Annual Debt Service + Administrative Costs + Provision for Delinquencies
 - Parcels Subject to the Tax
 - In prior years, with Builder Bonds, only levied taxes on Occupied Parcels
 - Now, with Conventional Debt, we determine the parcels in each category
 - Determination of Tax Levy (*waterfall approach*)
 - Start with Occupied Parcels, levy up to lesser of Annual Costs or Maximum Annual Taxes - if not sufficient;
 - Look to Final Map Parcels, levy up to lesser of Annual Costs or Maximum Annual Taxes - if not sufficient;
 - Look to Large Lot Parcels, levy up to Annual Costs.



Changes in Special Tax Rates

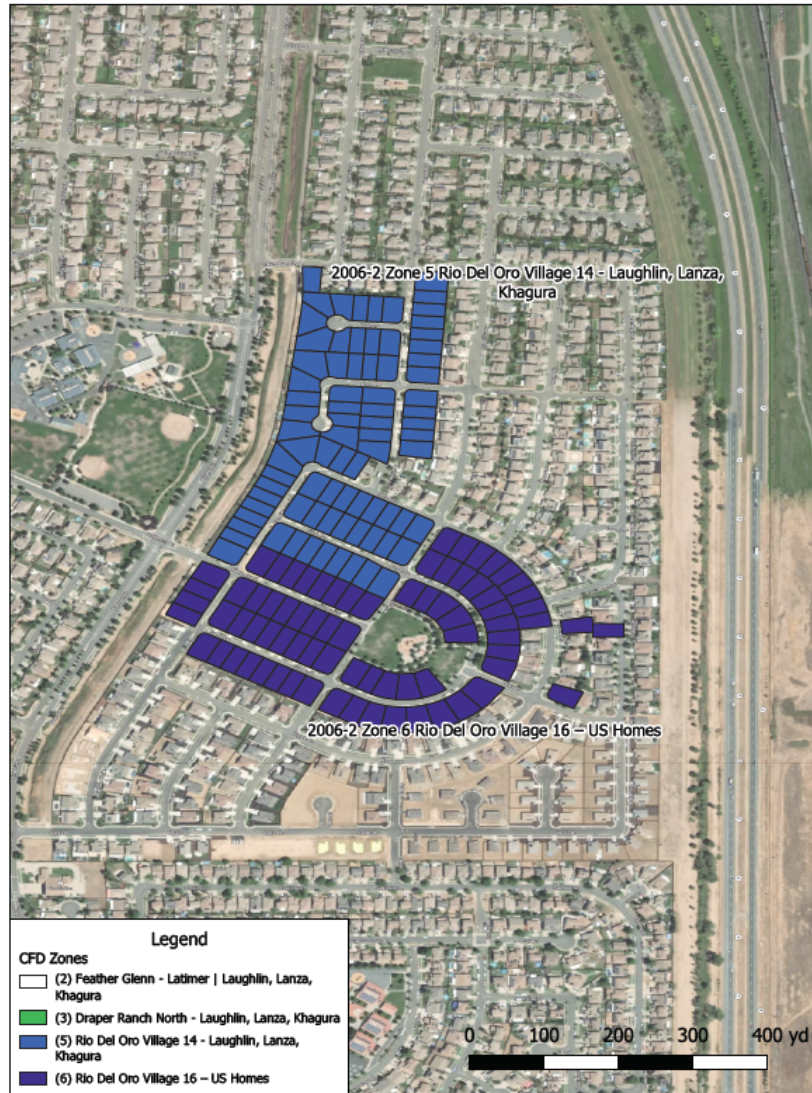
- In general, tax rates will be reduced over time as development continues
- Timing and amount of tax rate reductions will vary between tax zones
- Amount of tax rate reduction is dependent on many factors
 - Generally, the more fully developed a project is, the greater the tax rate reductions and the sooner they are achieved

CFD 2006-1 Zones



CFD 2006-2 Zones

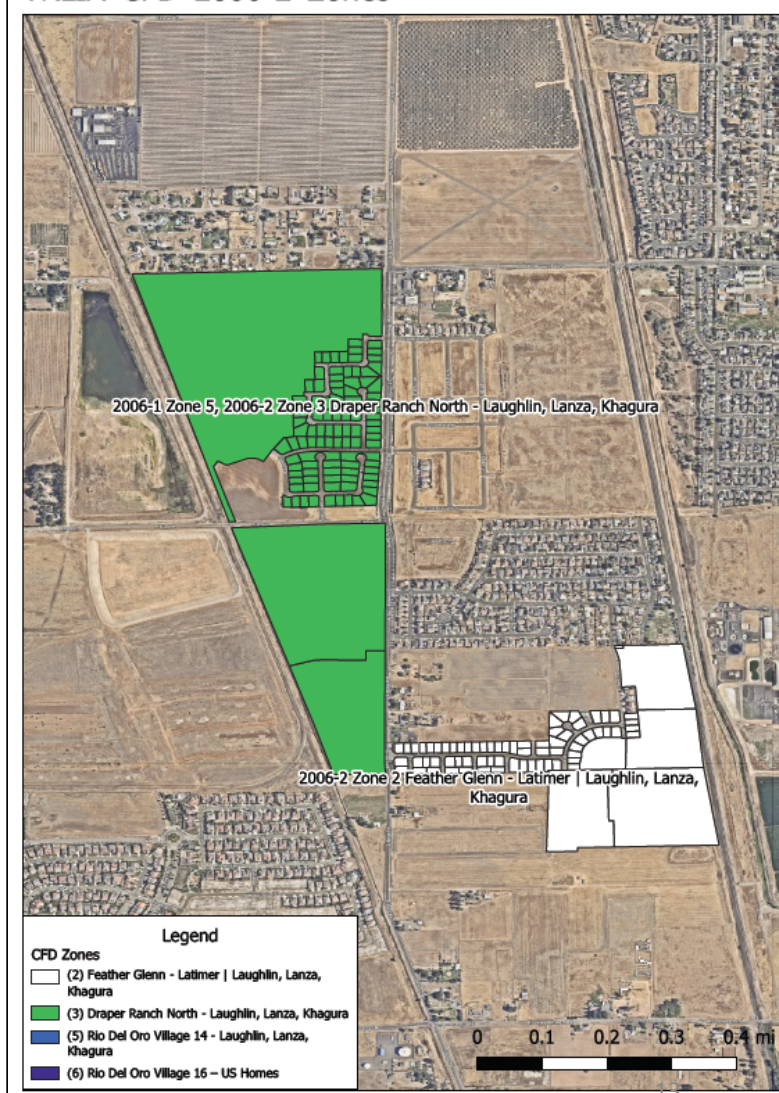
TRLIA CFD 2006-2 Zones



Prepared by: Larsen Wurzel & Associates

7/19/2021

TRLIA CFD 2006-2 Zones

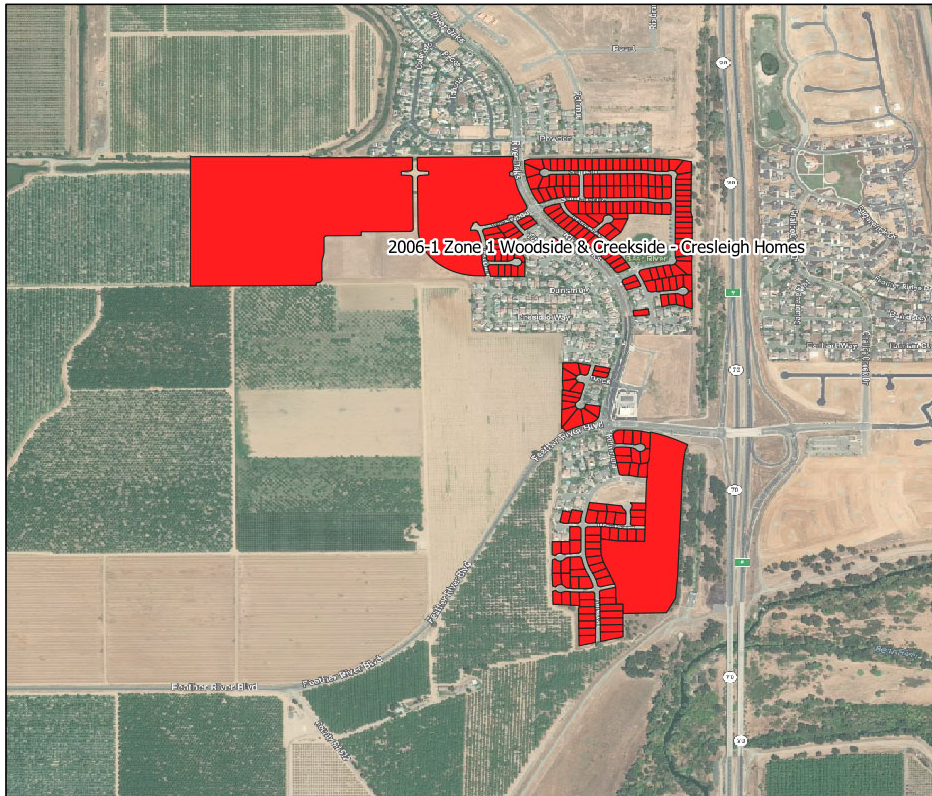


Prepared by: Larsen Wurzel & Associates

7/19/21



CFD 2006-1 Tax Zone 1 (Woodside & Creekside - Cresleigh Homes)



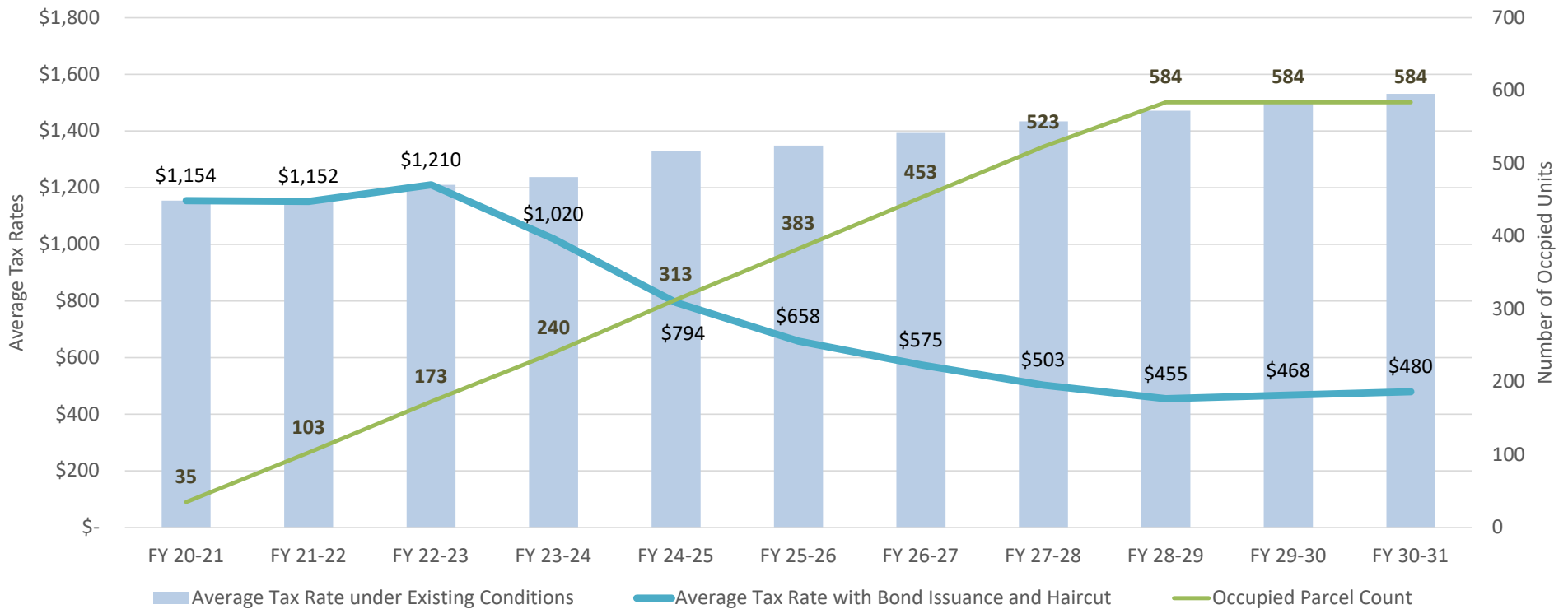
- FY 20-21 Average Special Tax Rate: \$1,154.34
- FY 20-21 Occupied Parcel Count: 35

- FY 21-22 Average Special Tax Rate: \$1,143.30
- FY 21-22 Occupied Parcel Count: 103
 - New Occupied units:
 - 20 @ \$1,435.58
 - 23 @ \$886.68
 - 25 @ \$1,097.80

- Required Occupied Parcels to start tax levy reduction: 200 (additional 97)



Comparison of Average Tax Rates CFD 2006-1 Tax Zone 1 (Woodside & Creekside - Cresleigh Homes)



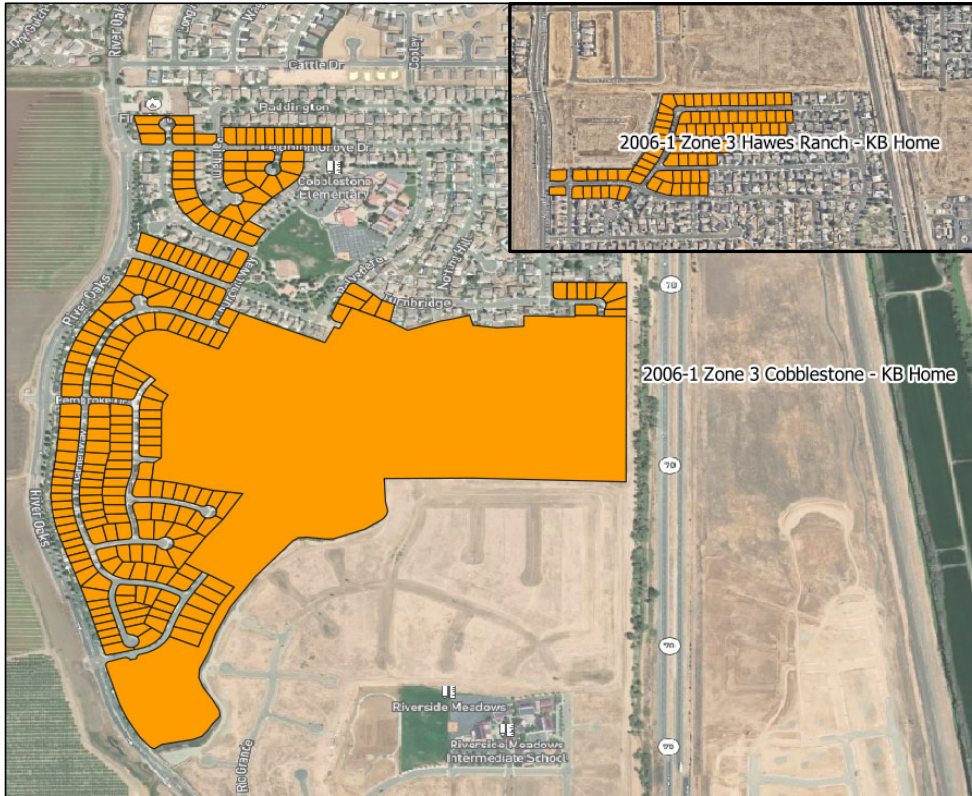
| 2006-1 Tax Zone 1 (Woodside & Creekside - Cresleigh Homes) | FY 20-21 | FY 21-22 | FY 22-23 | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 | FY 28-29 | FY 29-30 | FY 30-31 |
|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Estimated Percent Reduction from Existing Conditions to Workout | 0.00% | 0.00% | 0.00% | -17.64% | -40.19% | -51.20% | -58.76% | -64.93% | -69.09% | -68.85% | -68.68% |

DISCLAIMER:

The average special tax rates shown beyond FY 21-22 are estimates based upon projections. Actual tax rates levied may vary from the amounts shown here. Tax rate reductions are not guaranteed.



CFD 2006-1 Tax Zone 3 (Cobblestone & Hawes Ranch - KB Home)



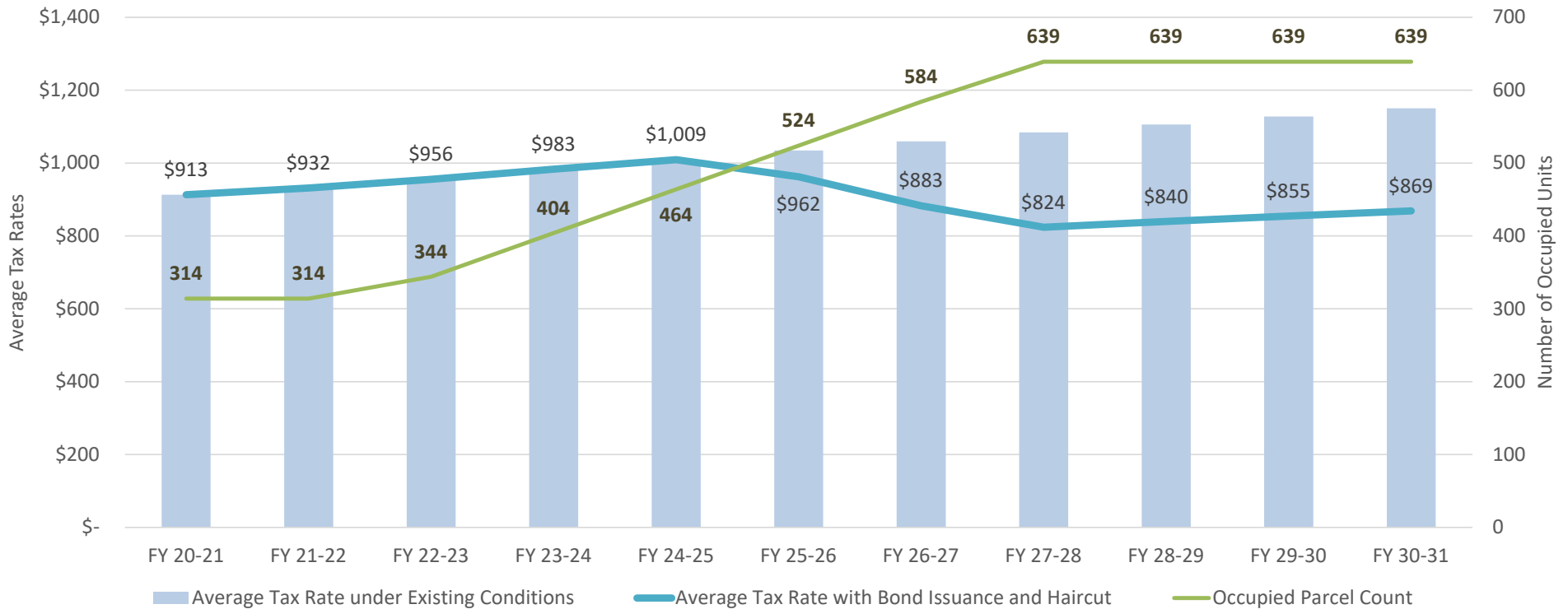
- FY 20-21 Average Special Tax Rate: \$913.26
- FY 20-21 Occupied Parcel Count: 314

- FY 21-22 Average Special Tax Rate: \$931.52
- FY 21-22 Occupied Parcel Count: 314
 - Increase solely due to 2% escalation in tax rate

- Required Occupied Parcels to start tax levy reduction: 493 (additional 179)



Comparison of Average Tax Rates CFD 2006-1 Tax Zone 3 (Cobblestone & Hawes Ranch - KB Home)



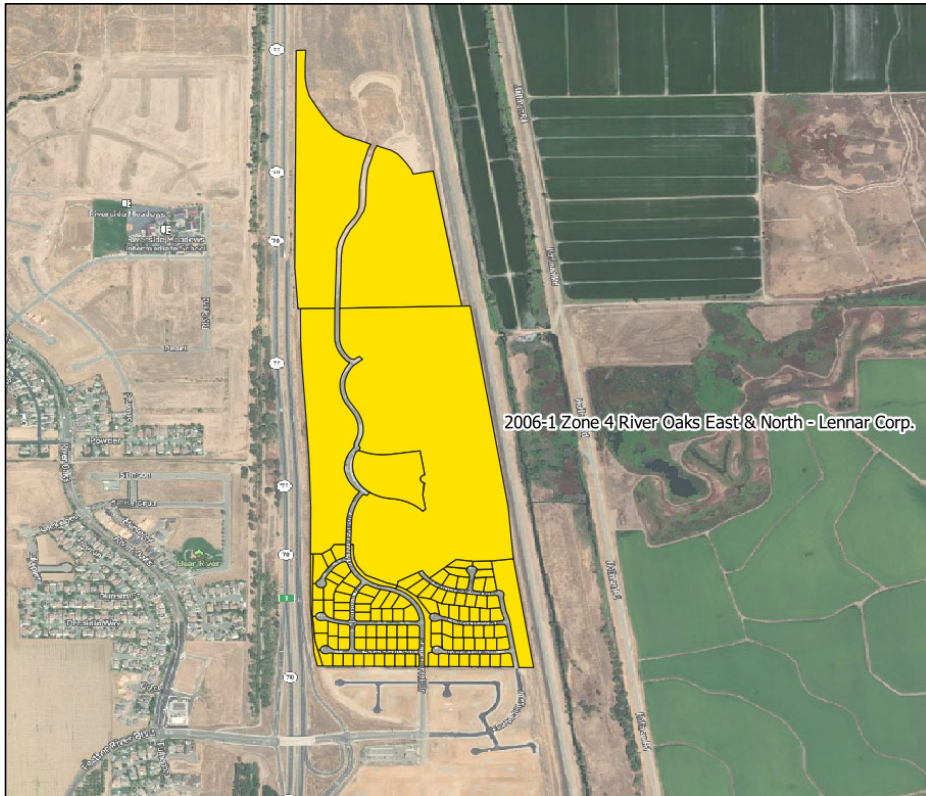
| 2006-1 Tax Zone 3 (Cobblestone & Hawes Ranch - KB Home) | FY 20-21 | FY 21-22 | FY 22-23 | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 | FY 28-29 | FY 29-30 | FY 30-31 |
|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Estimated Percent Reduction from Existing Conditions to Workout | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | -6.99% | -16.66% | -23.99% | -24.04% | -24.20% | -24.46% |

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CFD 2006-1 Tax Zone 4 (River Oaks East & North - Lennar Corp.)



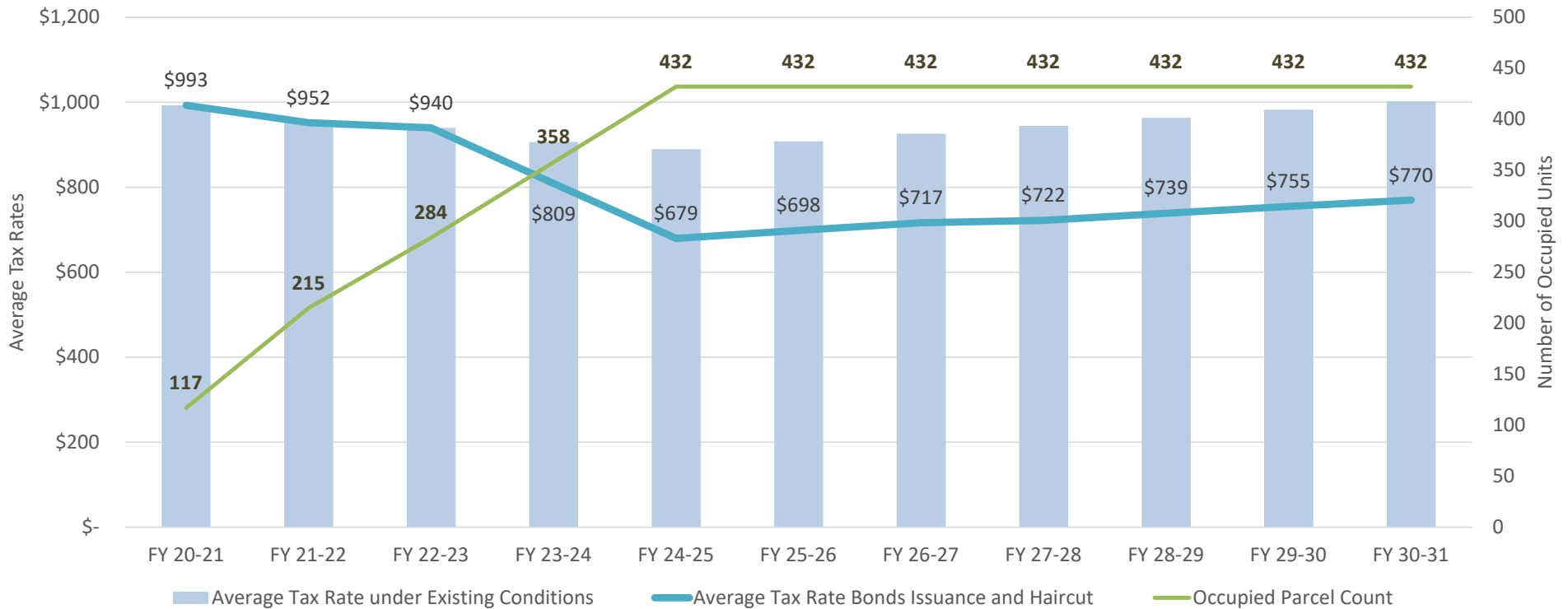
- FY 20-21 Average Special Tax Rate: \$993.61
- FY 20-21 Occupied Parcel Count: 119

- FY 21-22 Average Special Tax Rate: \$949.44
- FY 21-22 Occupied Parcel Count: 215
 - New Occupied units:
96 @ \$870.06

- Required Occupied Parcels to start tax levy reduction: 313 (additional 98)



Comparison of Average Tax Rates CFD 2006-1 Tax Zone 4 (River Oaks East & North - Lennar Corp.)



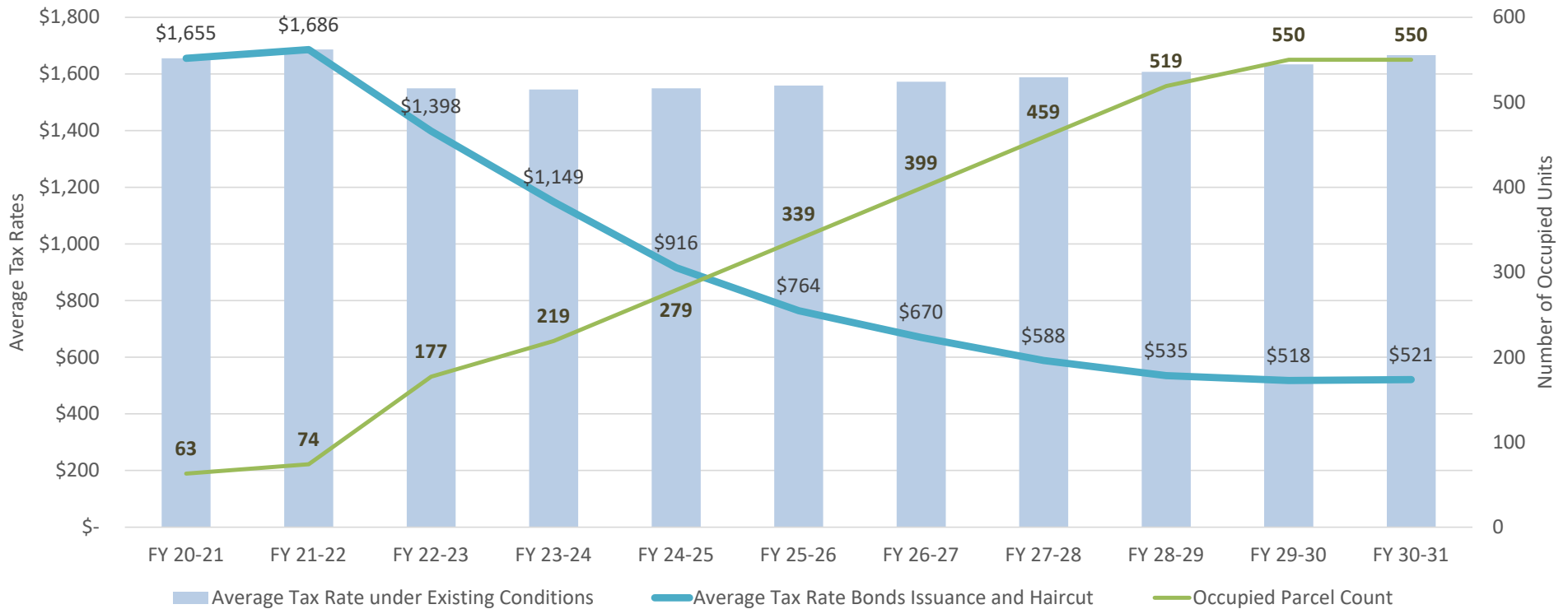
| 2006-1 Tax Zone 4 (Lennar Corp.) | FY 20-21 | FY 21-22 | FY 22-23 | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 | FY 28-29 | FY 29-30 | FY 30-31 |
|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Estimated Percent Reduction from Existing Conditions to Workout | 0.00% | 0.00% | 0.00% | -10.76% | -23.66% | -23.06% | -22.61% | -23.53% | -23.29% | -23.18% | -23.20% |

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Comparison of Average Tax Rates CFD 2006-1 Tax Zone 7 (Riverside Meadows - Legacy Homes)



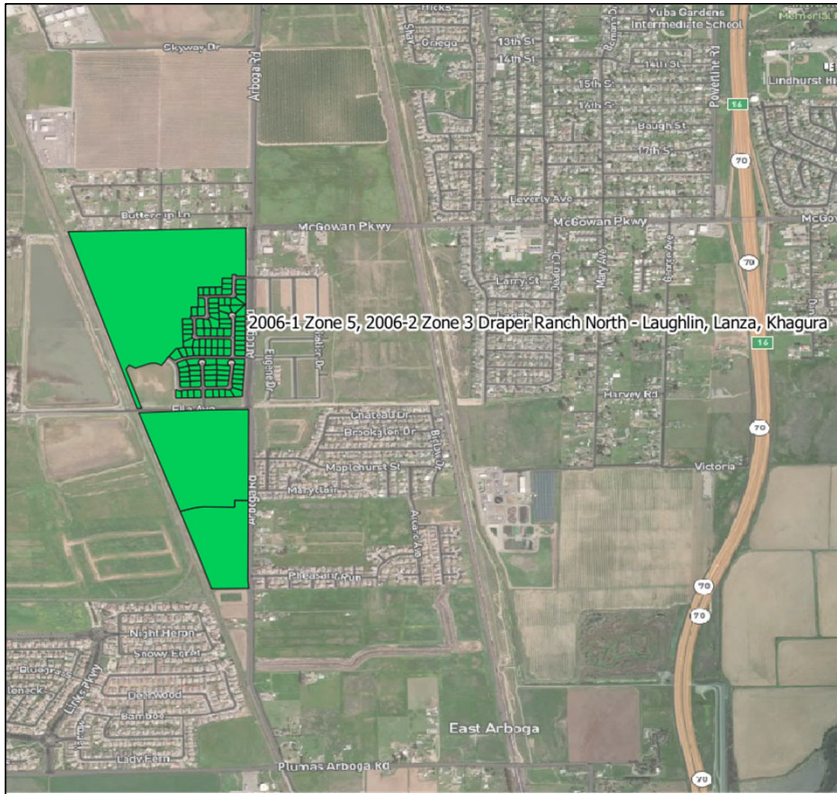
| 2006-1 Tax Zone 7 (Legacy Homes) | FY 20-21 | FY 21-22 | FY 22-23 | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 | FY 28-29 | FY 29-30 | FY 30-31 |
|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Estimated Percent Reduction from Existing Conditions to Workout | 0.00% | 0.00% | -9.74% | -25.63% | -40.87% | -50.99% | -57.42% | -62.96% | -66.72% | -68.31% | -68.73% |

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CFD 2006-1 Tax Zone 5 / CFD 2006-2 Tax Zone 3 (Draper Ranch North - Laughlin, Lanza, Khagura)



- FY 20-21 Average Special Tax Rate: \$1,950.74
- FY 20-21 Occupied Parcel Count: 74

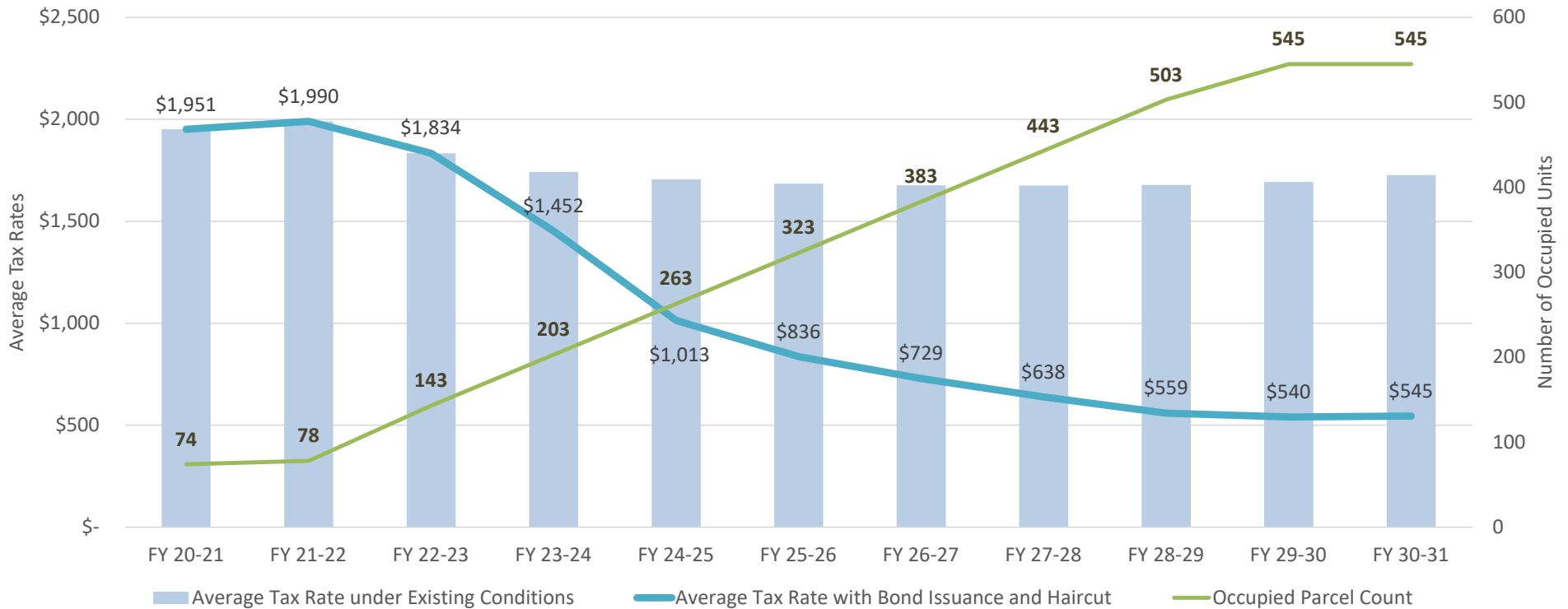
- FY 21-22 Average Special Tax Rate: \$1,989.76
- FY 21-22 Occupied Parcel Count: 78
 - New Occupied units:
4 @ \$1,989.76

- Required Occupied Parcels to start tax levy reduction: 164 (additional 86)



Comparison of Average Tax Rates

CFD 2006-1 Tax Zone 5 / CFD 2006-2 Tax Zone 3 (Draper Ranch North - Laughlin, Lanza, Khagura)



| 2006-1 Tax Zone 5 / 2006-2 Tax Zone 3 (Laughlin, Lanza, Khagura) | FY 20-21 | FY 21-22 | FY 22-23 | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 | FY 28-29 | FY 29-30 | FY 30-31 |
|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Estimated Percent Reduction from Existing Conditions to Workout | 0.00% | 0.00% | 0.00% | -16.66% | -40.60% | -50.37% | -56.53% | -61.88% | -66.71% | -68.10% | -68.45% |

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CFD 2006-2 Tax Zone 2 (Feather Glenn - Latimer | Laughlin, Lanza, Khagura)



- FY 20-21 Average Special Tax Rate: \$1,223.74
- FY 20-21 Occupied Parcel Count: 101

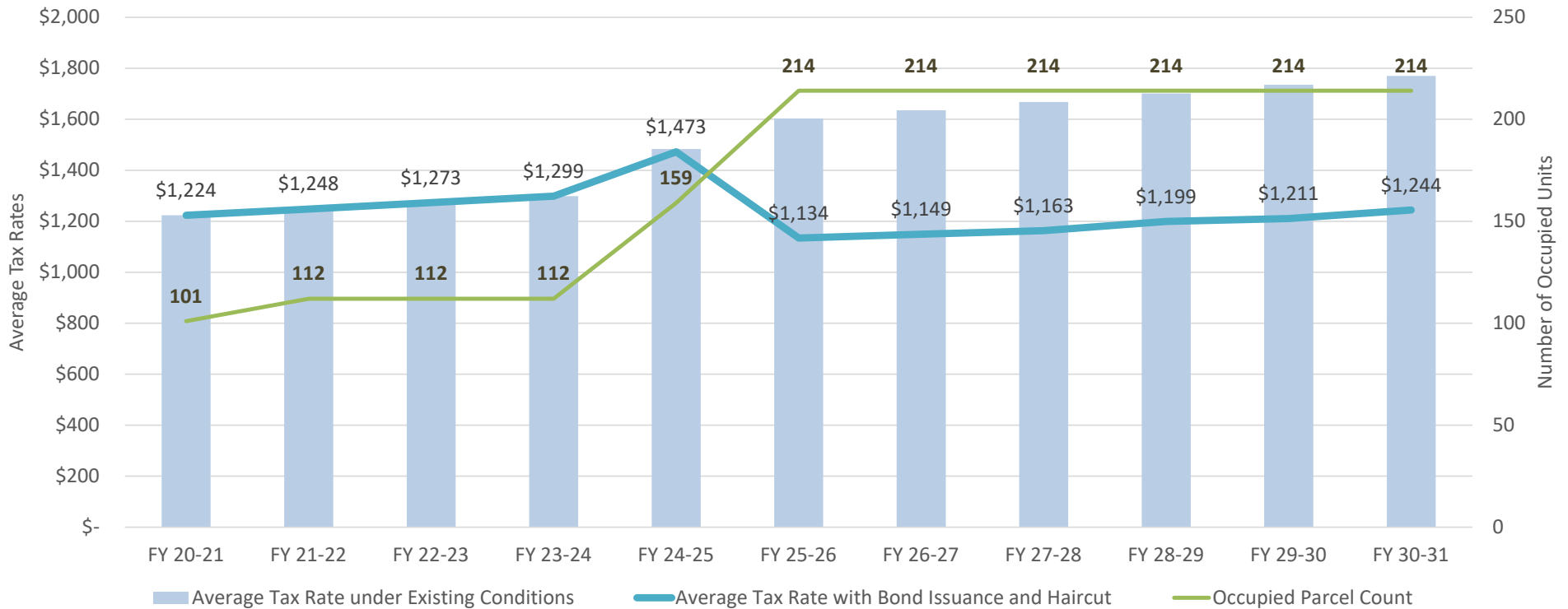
- FY 21-22 Average Special Tax Rate: \$1,248.22
- FY 21-22 Occupied Parcel Count: 112
 - New Occupied units:
11 @ \$1,248.22

- Required Occupied Parcels to start tax levy reduction: 158 (additional 46)



Comparison of Average Tax Rates

CFD 2006-2 Tax Zone 2 (Feather Glenn - Latimer | Laughlin, Lanza, Khagura)



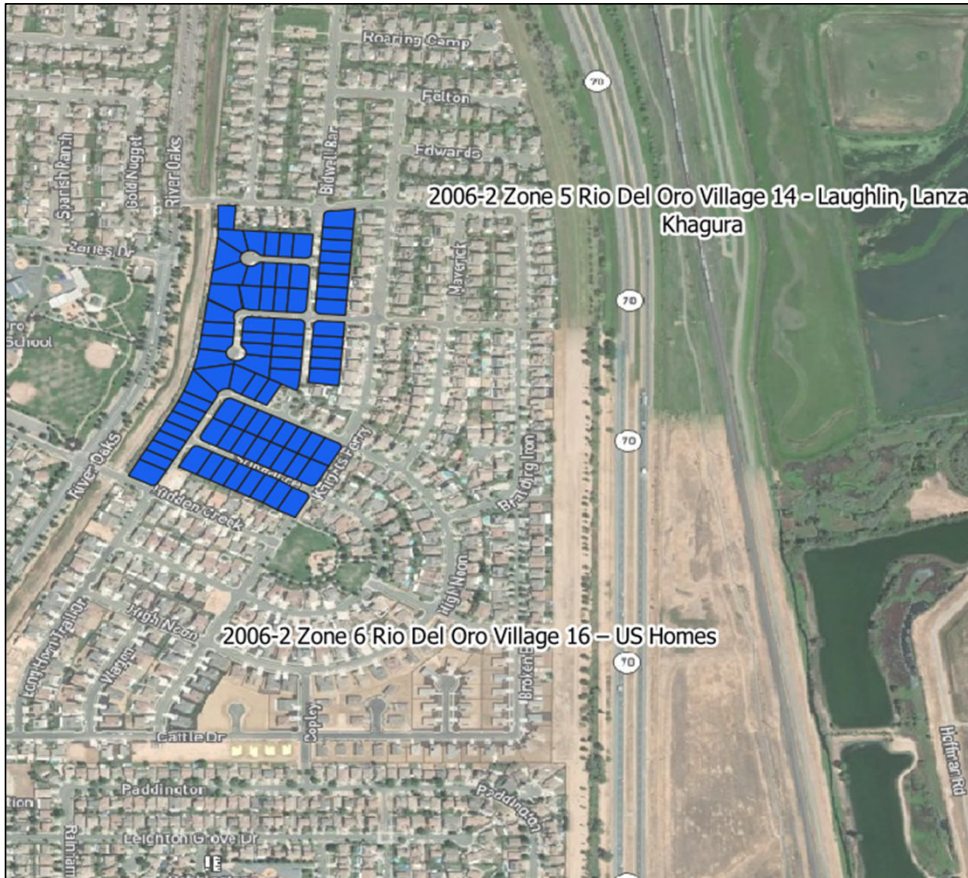
| 2006-2 Tax Zone 2 (Latimer Laughlin, Lanza, Khagura) | FY 20-21 | FY 21-22 | FY 22-23 | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 | FY 28-29 | FY 29-30 | FY 30-31 |
|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Estimated Percent Reduction from Existing Conditions to Workout | 0.00% | 0.00% | 0.00% | 0.00% | -0.73% | -29.24% | -29.72% | -30.26% | -29.49% | -30.23% | -29.70% |

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CFD 2006-2 Tax Zone 5 (Rio Del Oro Village 14 - Laughlin, Lanza, Khagura)

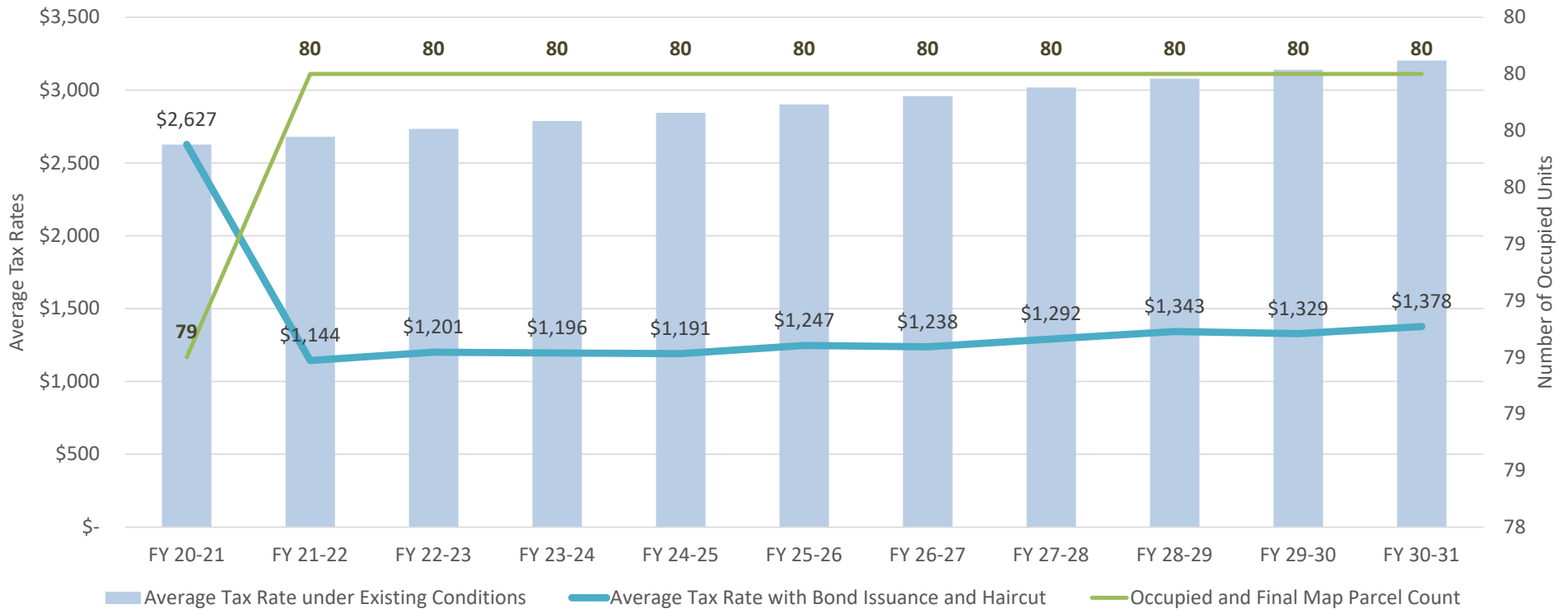


- FY 20-21 Average Special Tax Rate: \$2,627.32
- FY 20-21 Occupied Parcel Count: 79

- FY 21-22 Average Special Tax Rate: \$1,154.70
- FY 21-22 Occupied Parcel Count: 80
 - New Occupied units:
1 @ \$1,154.70



Comparison of Average Tax Rates CFD 2006-2 Tax Zone 5 (Rio Del Oro Village 14 - Laughlin, Lanza, Khagura)



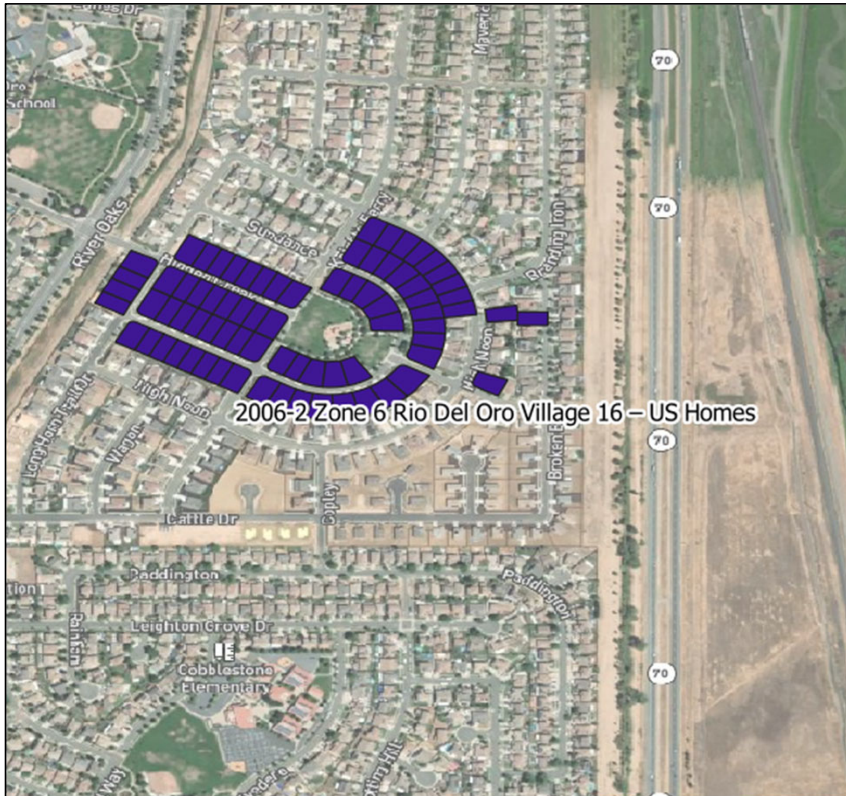
| 2006-2 Tax Zone 5 (Laughlin, Lanza, Khagura) | FY 20-21 | FY 21-22 | FY 22-23 | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 | FY 28-29 | FY 29-30 | FY 30-31 |
|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Estimated Percent Reduction from Existing Conditions to Workout | 0.00% | -57.32% | -56.07% | -57.10% | -58.11% | -57.00% | -58.15% | -57.19% | -56.38% | -57.68% | -56.99% |

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CFD 2006-2 Tax Zone 6 (Rio Del Oro Village 16 – US Homes)

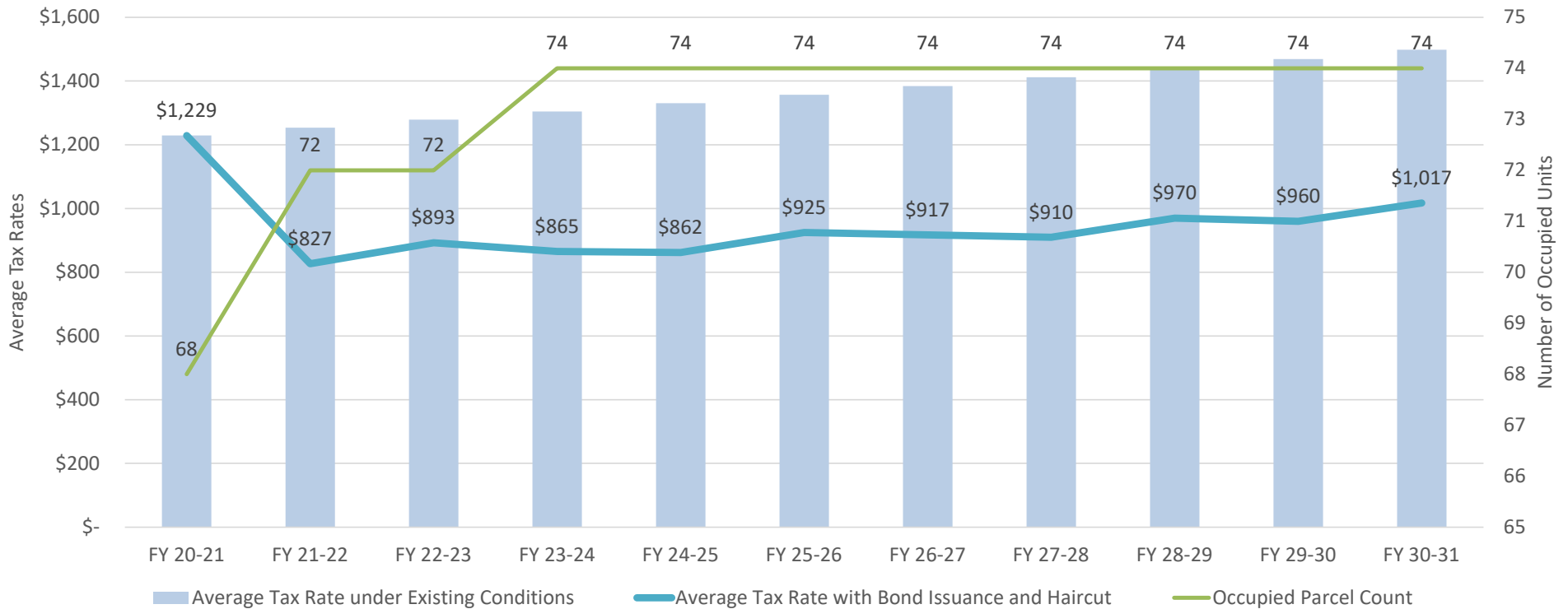


- FY 20-21 Average Special Tax Rate: \$1,228.92
- FY 20-21 Occupied Parcel Count: 68

- FY 21-22 Average Special Tax Rate: \$834.54
- FY 21-22 Occupied Parcel Count: 72
 - New Occupied units:
4 @ \$834.54



Comparison of Average Tax Rates CFD 2006-2 Tax Zone 6 (Rio Del Oro Village 16 – US Homes)

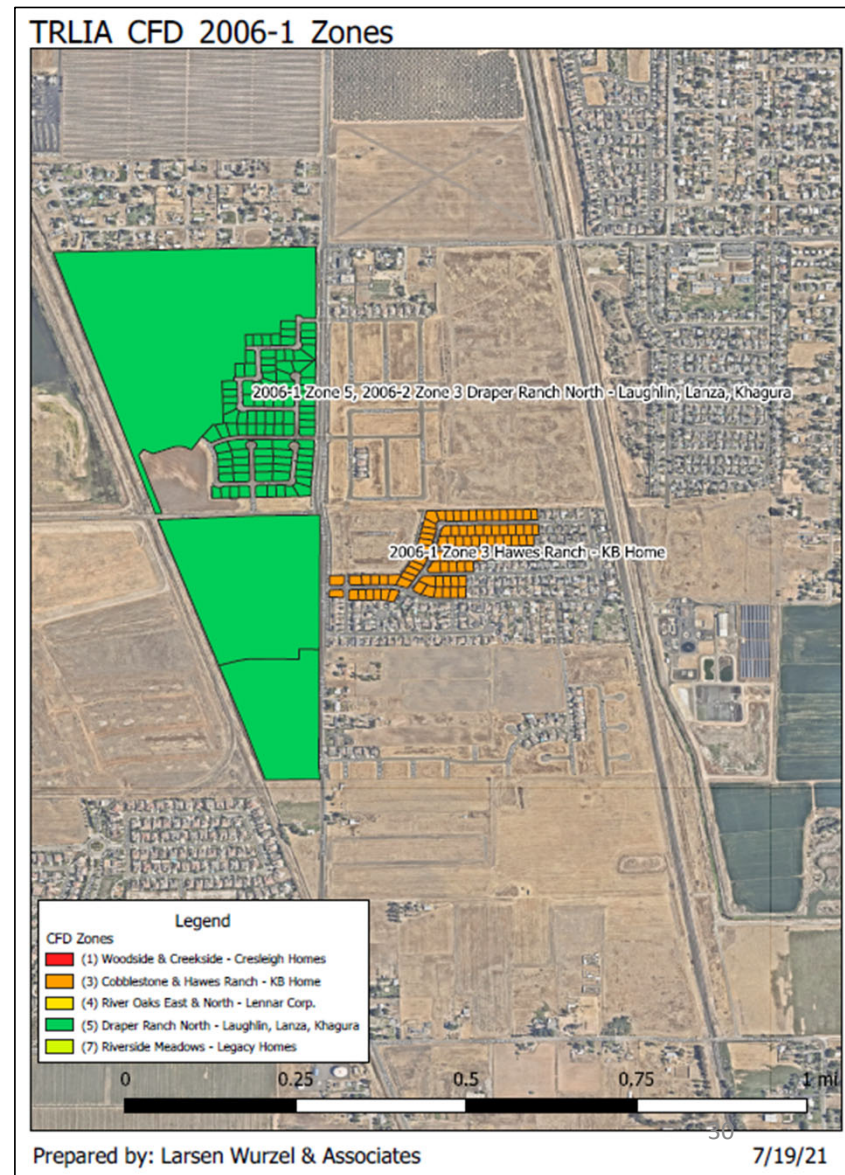
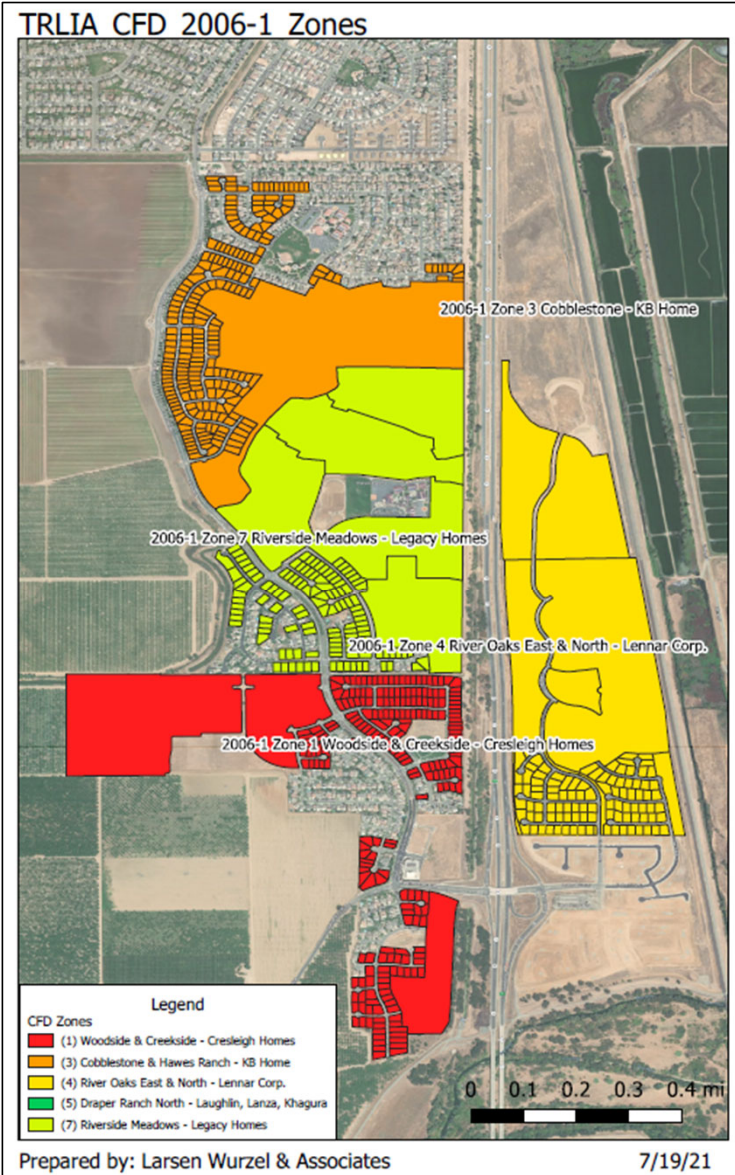


| 2006-2 Tax Zone 6 (Lennar Corp.) | FY 20-21 | FY 21-22 | FY 22-23 | FY 23-24 | FY 24-25 | FY 25-26 | FY 26-27 | FY 27-28 | FY 28-29 | FY 29-30 | FY 30-31 |
|---|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Estimated Percent Reduction from Existing Conditions to Workout | 0.00% | -34.06% | -30.18% | -33.66% | -35.22% | -31.85% | -33.73% | -35.55% | -32.63% | -34.64% | -32.08% |

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CFD 2006-1 Zones



CFD 2006-2 Zones

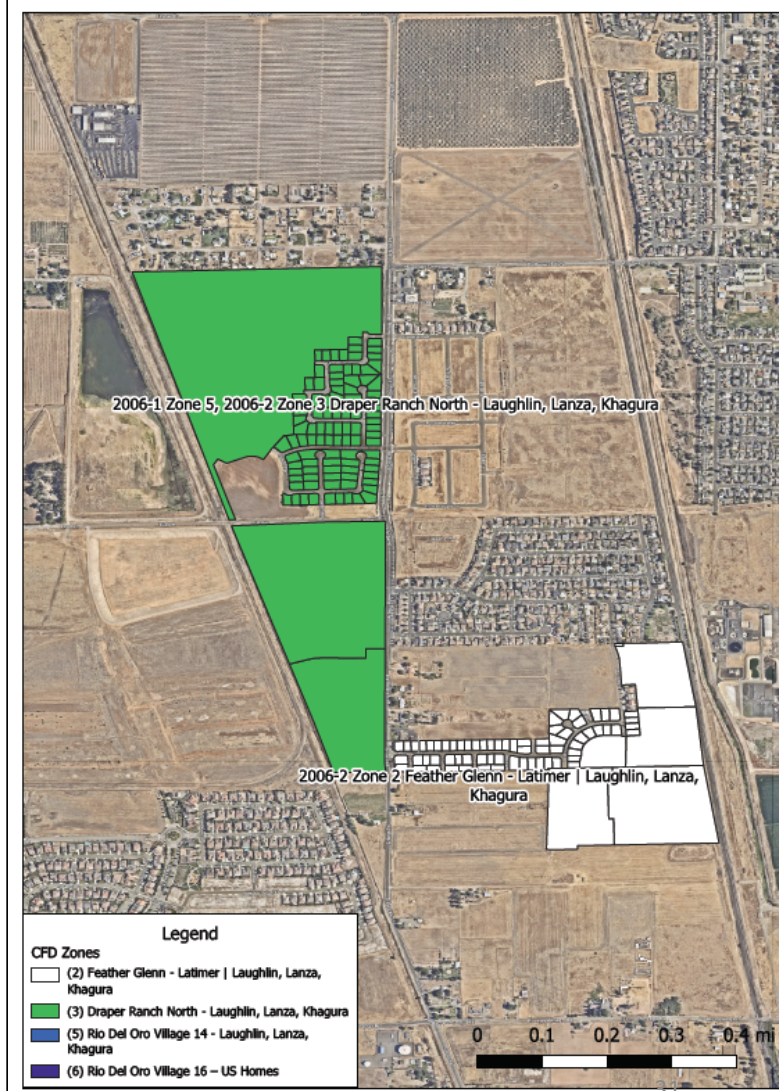
TRLIA CFD 2006-2 Zones



Prepared by: Larsen Wurzel & Associates

7/19/2021

TRLIA CFD 2006-2 Zones



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7/19/21



Questions?

- For Specific Property Related Questions
 - Call TRLIA's Tax Hotline: 530-763-7647
 - E-mail: trliacfd@larsenwurzel.com