

Community Facilities District Special Taxes Q & A

What is a Community Facilities District?

A Community Facilities District, or CFD, is a special financing district that provides a mechanism for funding specific facilities and services as granted by the Mello-Roos Community Facilities Act of 1982.

Mello-Roos Community Facilities Act

The Act allows any county, city, special district, school district or joint powers of authority to establish a CFD, which allows for the financing of public services and facilities. Effectively, the Act grants communities the ability to raise funds for improvements to infrastructures (streets, sewers, storm drains) and/or services, even though Proposition 13 limits their ability to tax property.

What services do I receive in return for the CFD special taxes I pay?

The Special Taxes collected contribute to the funding of essential fire protection, suppression, and prevention services in our community, firefighter training, and emergency medical services.



CFD Taxation Areas and Rates

The CFD boundary and special tax rates/methodology are approved during the formation process by both the South Placer Fire Protection District and eligible voters within the CFD. In order to establish a CFD, it must be approved by a two-thirds majority of qualified voters in the District. Additional property may annex to an existing CFD after the formation.

How are the CFD special tax rates calculated?

The CFD special tax rates are calculated at the time of formation based on the cost of providing public safety services, less revenue generated by the development of the property. The net unfunded cost is used to establish the CFD special tax rates. The special taxes are levied annually as part of each parcel's property tax bill and are subject to an annual inflation adjustment.

How are CFD tax liens disclosed?

When property is sold, the seller is responsible for providing a Notice of Special Tax to the buyer. This document is one of the many signed during the escrow process.

COMMUNITY FACILITIES DISTRICT NO. 1

2023-24 Actual Special Tax Rate: \$0.15 per sq. ft. of
Single Family Residential Unit

Any Questions? Contact Fire Chief Mark Duerr at (916) 791-7059