

Policy 7212: Mello-Roos Districts

Status: DRAFT

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The Governing Board desires to provide adequate facilities in order to enhance student learning and to help the district achieve its vision for educating district students. ~~To~~**Toward** that end, the Board may order the formation of a community facilities ~~district (CFD)~~ (Mello-Roos district) for the acquisition or improvement of school facilities when, in the Board's judgment, it is advisable and in the best interest of district students and the community. **The issuance of debt through the CFD shall be consistent with law and the district's debt management policy.**

Proceedings to establish a CFD may be instituted at the Board's discretion. In addition, such proceedings shall be instituted when a written request to establish a CFD has been filed by any two Board members, or a petition has been submitted by at least 10 percent of registered voters residing within the territory of the proposed CFD or by the owners of at least 10 percent of the area of land to be included within the proposed CFD. (Government Code 53318)

Prior to forming a community facilities district **initiating proceedings to form a CFD**, the Board shall consider and adopt local goals and policies that include the following elements: (Government Code 53312.7)

1. The priority that various facilities shall have for financing through the community facilities district **Mello-Roos Community Facilities Act**, including public facilities to be owned and operated by other public agencies and services to be provided by other public agencies
2. The credit quality to be required of bond issues and criteria to be used in evaluating the credit quality
3. Steps by which prospective property purchasers will be fully informed about their related taxpaying obligations
4. Criteria for evaluating the equity of tax allocation formulas, including desirable and maximum amounts of special tax to be levied against any parcel
5. Definitions, standards, and assumptions to be used in appraisals required by Government Code 53345.8
6. The Board may initiate **To** the proceedings to establish a community facilities district. In addition, the Board shall initiate such proceedings when any two Board members have filed **extent authorized by law, priority for students residing within the CFD to attend schools financed in whole or in part by the CFD, in a manner that reflects the proportion of each school's financing provided through the CFD**

Within 45 days of receiving a written request or a specified percentage of voters or landowners have filed a petition requesting such a district **to establish a CFD, the Board shall determine a fee to be formed. paid by the requesters or petitioners which shall be sufficient to compensate the district for the costs incurred in conducting proceedings to create the CFD. Proceedings for establishing the CFD shall only be initiated after payment of the fee.** (Government Code 53317) **53318)**

Upon Board action to form a community facilities district **CFD**, or **within 90 days after the** receipt of a petition or request **to form a CFD and the payment of any applicable fee**, the Board shall adopt a resolution of intention and conduct a hearing in accordance with law. The resolution shall fix the time and place for holding a public hearing on the establishment of the community facilities district **CFD**, which shall be within 30-60 days after the adoption of the resolution. Notice of the hearing shall be given by publishing **the text or a copy summary** of the resolution of intention **once**, in a newspaper of general circulation pursuant to Government Code 6061, starting **published in the area of the proposed CFD**, at least seven days before the hearing, and shall include the **other** requirements specified in Government Code 53322. **Notice of the hearing may also be sent by first-class mail to each registered voter and 53322.4. to each landowner within the proposed CFD.** (Government Code 53320, 53321, 53322, 53322.4)

If, after the hearing, the Board determines **decides** to establish a community facilities district **CFD**, the Board shall adopt a resolution of formation in accordance with law. (Government Code 53325, 53325.1)

If a special tax is proposed to be levied in the CFD, the Board shall submit the resolution of formation and other information specified in Government Code 53326 to the elections official within three business days after the adoption of the resolution of formation, and the question of levying the special tax shall be submitted to the qualified electors of the proposed CFD in accordance with law. (Government Code 53326)

Upon approval by two-thirds of the voters in the proposed community facilities district, the tax may be levied. **CFD, the tax may be levied in accordance with Government Code 53340. (Government Code 53328)**

Whenever the Board deems it necessary for the CFD to incur a bonded indebtedness, it shall follow the procedures specified in Government Code 53345-53365.7, as applicable.

The proceeds of any bonds, notes, or other securities issued pursuant to the Mello-Roos Community Facilities Act shall be deposited or invested in accordance with Government Code 53356.03.

The Superintendent or designee shall, within seven months after the last day of each fiscal year, prominently display the following reports on the district's web site: (Government Code 53343.2)

1. **A copy of an annual report for that fiscal year, if requested pursuant to Government Code 53343.1**
2. **A copy of the report provided to the California Debt and Investment Advisory Commission pursuant to Government Code 53359.5**
3. **A copy of the report provided to the State Controller's Office pursuant to Government Code 12463.2**

Policy Reference Disclaimer: These references are not intended to be part of the policy itself, nor do they indicate the basis or authority for the board to enact this policy. Instead, they are provided as additional resources for those interested in the subject matter of the policy.

State References

	Description
2 CCR 1859-1859.199	Leroy F. Greene School Facilities Act
Ed. Code 15300-15425	School facilities improvement districts
Ed. Code 17060-17066	Joint venture school facilities construction projects
Gov. Code 12463.2	Reports
Gov. Code 17556	Payment of costs mandated by the state
Gov. Code 53311-53368.3	Mello-Roos Community Facilities Act of 1982
Gov. Code 53753	Assessment notice and hearing requirements
Gov. Code 53753.5	Exemptions
Gov. Code 54954.1	Request for copy of agenda or agenda packet by member of public
Gov. Code 54954.6	New or increased tax or assessment; public meetings and hearings; notice
Gov. Code 6061	Manner of notice as prescribed in designated section
Gov. Code 65970-65981	School facilities
Gov. Code 65995	Levies against development projects

Management Resources References

	Description
CSBA Publication	Bond Sales - Questions and Considerations for Districts, 2012
Website	CSBA District and County Office of Education Legal Services
Website	Coalition for Adequate School Housing
Website	Department of General Services, Office of Public School Construction
Website	CSBA
Website	California Department of Education

Cross References

	Description
3460	Financial Reports And Accountability
3460	Financial Reports And Accountability
3470	Debt Issuance And Management
5116	School Attendance Boundaries
7110	Facilities Master Plan

7111 [Evaluating Existing Buildings](#)
7210 [Facilities Financing](#)
7211 [Developer Fees](#)
7211 [Developer Fees](#)
7213 [School Facilities Improvement Districts](#)