



DEPARTMENT OF PARKS AND RECREATION

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RE: FISCAL YEAR 2026-27 LEVIES FOR COMMUNITY FACILITIES DISTRICTS; California Environmental Quality Act GUIDELINES SECTION 15273 FINDINGS

An annual adoption of a resolution by the San Diego County Board of Supervisors is required to provide for the levies of a special tax for Community Facility Districts (“CFD”). These levies ensure funding for the operation of districts that provide various services and facilities for the public. Through today’s actions, levies will be adopted for CFDs. All proposed levies are within approved maximum rates. The method for calculating the levies is established in each district’s Rate and Method of Apportionment (“RMA”) as adopted by the Board of Supervisors. The RMA provides the methodology to determine the maximum annual special tax allowable for each district. The following is the summary of proposed levies for Fiscal Year 2026-27.

The adoption of the resolutions to authorize levies for Fiscal Year 2026-27 is exempt from California Environmental Quality Act (CEQA) pursuant to Section 15273 (Rates, Tolls, Fares and Charges) of the State CEQA Guidelines.

CEQA Guidelines Section 15273 states:

(a) CEQA does not apply to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, and other charges by public agencies which the public agency finds are for the purpose of:

(1) Meeting operating expenses, including employee wage rates and fringe benefits,

(2) Purchasing or leasing supplies, equipment, or materials,

(3) Meeting financial reserve needs and requirements,

(4) Obtaining funds for capital projects, necessary to maintain service within existing service areas, or

(5) Obtaining funds necessary to maintain such intra-city transfers as are authorized by city charter.



This exemption is applicable because the action before the Board of Supervisors is to authorize levies on properties within existing CFDs to provide funding for constructed facilities and ongoing operations and maintenance of public facilities within the existing boundaries of the CFDs. The levies will not be used to fund capital projects for the expansion of any system within the CFDs.

The following findings are made in support of the use of statutory exemption set forth in Section 15273 of the California Environment Quality Act (CEQA) Guidelines:

Community Facilities District No. 2008-01 (Harmony Grove Village):

Community Facilities District No. 2008-01 was established on June 25, 2008 (9) by the Board, pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982. This CFD was established to help fund debt issuance for the construction and acquisition of public facilities and ongoing maintenance and operation services for public facilities related to the CFD. Special Tax A funds costs related to construction of public facilities being built by the developer and CFD administration, through a bond series approved by the Board on December 5, 2017 (23) and December 10, 2019 (25). The RMA allows for a 2% annual increase to the maximum allowable Special Tax rate for each parcel for Special Tax A. If the applied rate is below the maximum allowable rate, an adjustment greater than 2% and up to the maximum rate is allowed per the RMA. Special Tax A revenues are used to repay outstanding bonds and administrative costs associated with managing the bonds. Rates have been adjusted to meet the needed revenue, which resulted in an increase in the per parcel rate of 1.81% from FY 2025-26 to FY 2026-27 for Tax A Improvement Area 1 and 1.94% for Tax A Improvement Area 2. The overall (total amount levied) increase for Tax A Improvement Area 1 and for Tax A Improvement Area 2 is 1.88%. Special Tax B will offset costs related to operations and maintenance of storm drain structures, public parks, recreation facilities and open space, and street lighting; emergency response services provided by Rancho Santa Fe Fire Protection District; and CFD administration. The RMA allows for an increase of 6.00% (based on the Los Angeles Consumer Price Index increase of 3%, to be no less than 2% and no more than 6%), on the levy for each parcel for Special Tax B. The overall increase for Special Tax B is 3.01%. Special Tax A and Special Tax B are levied on parcels of land within the boundaries pursuant to the RMA. The revenue collected from Special Taxes A & B will be used to fund activities set forth in resolution creating CFD No. 2008-01.

Community Facilities District No. 2013-01 (Horse Creek Ridge Maintenance):

Community Facilities District No. 2013-01 was established January 29, 2014 (1), pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982. This CFD was established to finance ongoing operations and maintenance of the regional sports park complex, staging area and park trails, onsite and offsite open space, fire services, and detention basins within the CFD. Special Tax A funds CFD administration and costs related to open space, trails, park, and recreational facility maintenance. The RMA allows for an increase of 2% on the levy for each parcel for Special Tax A. Special Tax B funds storm drainage and detention basin facilities maintenance. The RMA allows for an increase of 2% on the levy for each parcel for Special Tax B. Special Tax C funds fire protection, suppression, and emergency medical services provided by North County Fire Protection District. The RMA allows for an increase of 2% on the levy for each parcel for Special Tax C. Rates have been increased to meet the needed revenue, which resulted in an increase of 2% each for Special Tax A, B & C. Special Tax A, Special Tax B, and



Special Tax C are levied on parcels of land within the boundaries pursuant to the RMA. The revenue collected from the increases in Special Taxes A, B & C will be used to fund activities set forth in resolution creating CFD No. 2013-01.

Community Facilities District No. 2019-02 (Sweetwater Place Maintenance):

Community Facilities District No. 2019-02 was established May 1, 2019 (2), pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982. This CFD was established to finance ongoing operations and maintenance of the park within the CFD. The RMA allows for an increase on the levy for each parcel for the Special Tax, based on the Consumer Price Index, to be no less than 2% and no more than 6%. Rates have been increased to meet the needed revenue, which resulted in an increase of 3.78%. The revenue collected from the increases in the Special Tax will be used to fund activities set forth in resolution creating CFD No. 2019-02.

Community Facilities District No. 2019-01 (Meadowood Maintenance):

Community Facilities District No. 2019-01 was established April 10, 2019 (2), pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982. This CFD was established to finance ongoing operations and maintenance of the park and park trails, fire services, and stormwater drainage and treatment facilities within the CFD. Special Tax A funds costs related to open space, trails, park, recreational facility maintenance, and CFD administration. The RMA allows for an increase of 2% on the levy for each parcel for Special Tax A. Special Tax B funds storm drainage and detention basin facilities maintenance. The RMA allows for an increase of 2% on the levy for each parcel for Special Tax B. Special Tax C funds fire protection, suppression, and emergency medical services provided by North County Fire Protection District. The RMA allows for an increase of 2% on the levy for each parcel for Special Tax C. Rates have been increased to meet the needed revenue, which resulted in an increase of 2% each for Special Tax A, B & C. Special Tax A, Special Tax B, and Special Tax C are levied on parcels of land within the boundaries pursuant to the RMA. The revenue collected from the Special Taxes will be used to fund activities set forth in resolution creating CFD No. 2019-01.

Community Facilities District No. 2019-03 (Park Circle Maintenance):

Community Facilities District No. 2019-03 was established June 5, 2019 (4), pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982. This CFD was established to finance ongoing operations and maintenance of the park within the CFD. The RMA allows for an increase on the levy for each parcel for the Special Tax, based on the Consumer Price Index, to be no less than 2% and no more than 6%. Rates have been increased to meet the needed revenue, which resulted in an increase of 3.78%. The revenue collected from the Special Tax will be used to fund activities set forth in resolution creating CFD No. 2019-03.

Community Facilities District No. 2022-01 (Piper Otay Preserve Maintenance):

Community Facilities District No. 2022-01 was established April 6, 2022 (6), pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982. This CFD was established to finance ongoing operations and maintenance of the preserve within the CFD. The RMA allows for an increase on the levy for each parcel for Special Tax A and Special Tax B, based on the Consumer Price Index, to be no less than 2% and no more than 6%. The Special Tax A rates will increase by 4.5% for FY 2026-27.



The Special Tax B rates will increase by 2% for FY 2026-27. The revenue collected from the Special Taxes will be used to fund activities set forth in resolution creating CFD No. 2022-01.

Community Facilities District No. 04-1 (Lake Morena, Jacumba, Jamul, and Lyons Valley):

Community Facilities District No. 04-1 was established on January 6, 2004 by the former San Diego Rural Fire Protection District Board, pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982. This CFD was established to fund fire protection, suppression, and paramedic services, as well as the construction or acquisition of fire stations, fire training facilities, fire dispatch centers, fire communication systems, and fire equipment with a useful life of five years or more. These services and facilities are necessary to serve properties within the boundaries of the CFD. Special Tax A funds fire protection operations, equipment, facilities, and staffing and administrative expenses. The RMA allows for a 2% increase in the levy for each parcel for Special Tax A. The rate increase for Special Tax A is 2%. Special Tax B is a one-time tax levied only in the first fiscal year that a parcel of land is considered “Developed Property.” The RMA specifies an annual increase based on the positive change in the Los Angeles Construction Cost Index on the levy for each parcel for Special Tax B. For FY 2026-27, there is one parcel eligible for the Special Tax B levy. The revenue collected from Special Tax A and Special Tax B will be used to fund activities set forth in resolution creating CFD No. 04-1.

Community Facilities District No. 09-1 (East Otay Mesa):

Community Facilities District No. 09-1 was established on September 22, 2009 by the former San Diego Rural Fire Protection District Board, pursuant to the terms and provisions of the Mello-Roos Community Facilities Act of 1982. This CFD was established to fund the operation and maintenance of fire facilities necessary to serve properties within the boundaries of the CFD. Special Tax B funds the operation and maintenance of fire facilities and staffing. The RMA allows for an increase of 3% on the levy for each parcel for Special Tax B. The Special Tax B rate will increase by 3% and is levied on parcels of land within the boundaries pursuant to the RMA. The revenue collected from Special Tax B will be used to fund activities set forth in resolution creating CFD No. 09-1.

Community Facilities District No. 2014-01 (Borrego Springs):

Community Facilities District No. 2014-01 was established by the former Borrego Springs Fire Protection District (BSFPD) and through Local Agency Formation Commission Organization hearing in 2023, CFD No. 2014-01 was transferred to the San Diego County Fire Protection District following dissolution of BSFPD. This CFD was established to fund fire protection, suppression, and related services, as well as the construction or acquisition of fire stations, safety gear, radios, equipment, and other fire related facilities. Special Tax A provides funding for facilities and Special Tax B covers ongoing services. The RMA for CFD No. 2014-01 specifies annual increases for Special Tax A as amount equal to the greater of the Building Cost Index (5.08% from December 2024 to December 2025), or 2% of the Maximum Special Tax in effect for the previous Fiscal Year and an annual escalation factor of 3% for parcels eligible for Special Tax B. The Special Tax A rate will increase 5.08% in Fiscal Year 2026-27, and there will be no parcels eligible for Special Tax B.

