TYPICAL FORMATION PROCESS FOR COMMUNITY FACILITIES DISTRICT

START OF PROCESS

Petition initiated CFD
1. 10% Landowners [53319]
2. 10% Registered Voters
3. Payment of preformation costs [53318d]

Local Agency Initiated CFD
1. Written request of 2 members of legislative body, or [53318]
2. Majority approval of legislative body

Within 90 days [53320]

LEGISLATIVE BODY COMMENCES PROCEEDINGS
1. Adopts Goals and Policies [53321]
2. Adopts Resolution of Intention ("ROI") which:
   a. Describes boundaries
   b. States the name of CFD
   c. Describes public facilities and services
   d. State that special tax is sufficient to pay for all facilities and services
   e. Fix a time and place of a Public Hearing (PH)
   f. Describe any adjustments in property taxation
   g. Describe voting procedure

Record Boundary Map

Prepare CDF Report

PH held not less than 30 days for not more than 60 days from adoption of Resolution of Intention [53321e]

REQUIRED: Publish notice (not later than 7 days before PH) [53322]
OPTION: Mailed notice (not later than 15 days before PH) [53521]

PUBLIC HEARING
May be continued up to 30 days or with finding up to 6 months [53325]

If no majority protest, the Legislative Body: [53325.1]
1. Adopts the Resolution of Formation ("ROF") which:
   a. State proposed special tax has not been precluded by majority protest
   b. Identify any facilities or services proposed
   c. Set forth responsible party for levying special taxes
   d. State that recordation of notice of special tax is a continuing lien attached to all nonexempt real property
   e. Set forth the county of recordation and book and page where boundary map has been recorded
2. Adopts the resolution of incur Bounded Indebtedness*
3. Sets the election date See also [53326]

If more than 50% of registered of voters or if the owners of more than 50% of the land area protest, then CFD is abandoned for 1 year. If majority protest is only against specific facilities, services or special tax, only that facility, service or tax must be eliminated. [53324]

GENERAL ELECTION OR SPECIAL ELECTION [53326a]
At least 90 but no more than 180 days following adoption of ROF (unless time period shortened by 100 % of electors)
2/3 vote required (if less than 12 registered voters or if no tax on residential property – landowner election) [53329 & 53326]

Voters consider
1. Levy of Special Tax
2. Establish appropriations limit
3. Authorize issuance of bonds*

actions by legislative body
1. Certify election results
2. Enact ordinance to levy special tax
3. Authorize issuance of bonds*
4. Approve Preliminary Official Statement and certain bond documents*

1. Record Notice of Special Tax Lien (within 15 days)
2. Initiative validation proceedings, if necessary
3. 30 day statute of limitations [53328.3]

1. Sell and deliver bonds and receive bond proceeds*
2. Initiate construction or acquisition*
3. Commence activities to administer debt*, levy and collect special taxes, and comply with continuing disclosure and arbitrage requirements*

*Represents items related to bonded CFDs.
Numbers in [xxxxx] refer to the applicable California Government Code