

Community Facilities District No. 1 (Capitol Auto Mall) Fund

Fund 371

PURPOSE OF THE FUND:

The Community Facilities District No. 1 (Capitol Auto Mall) Fund accounts for special taxes of community facility districts to finance certain public capital facilities and services within such districts, through the potential issuance of bonds secured by such special taxes.

The budget for the Community Facilities District No. 1 (Capitol Auto Mall) Fund should include the cost of providing the following capital facilities, services, and debt service payments for the repayment of the bonds, including but not limited to:

1. The design, acquisition, and construction of the following improvements;
 - a. Capitol Expressway Auto Mall from State Route 87 to Almaden Expressway including resurfacing, signing, striping new signalization at assessors parcel numbers 459-05-014 and 459-06-039, medians, curbs, gutters, driveway modifications, median and parkway landscaping, irrigation system, special signing/monumentation, street lighting, and other improvements associated with the enhancement of Capitol Expressway Auto Mall.
 - b. Storm drainage system improvements in the vicinity of Capitol Expressway and Almaden Expressway to eliminate existing street flooding conditions during heavy rain, and work required to eliminate costs to the City associated with the acceptance of Capitol Expressway Auto Mall from the County.
 - c. Additional improvements required to complete the project in accordance with the City requirements to upgrade the roadway condition to City standards for the Auto Mall enhancement project.
2. The acquisition of land, easements, and right of way and necessary acceptances to complete and use the above described improvements. All public rights-of-way will be dedicated to the City of San José or County of Santa Clara as appropriate for public use.
3. The maintenance of all facilities and improvements set forth above

AUTHORITY FOR THE FUND:

San José Municipal Code Chapter 14.27, which incorporates by reference many of the provisions of the Mello-Roos Community Facilities Act of 1982 (Government Code section 53311 *et seq.*). Revenue and expenditure estimates are budgeted via City Council funding sources resolution and appropriation ordinance, respectively.

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SOURCE OF FUNDS:

- Special Tax
- Interest earnings

On an annual basis, staff determines the assessment revenue needed to fund the maintenance and operations of the district at the City's acceptable standard for community facilities districts. If expenditures for these facilities and services outpace the special tax revenue, staff will reach out to the affected property owners within the District to inform them of the funding shortfall and ask for their input. After District property owner outreach, staff may bring forward to the Council and the property owners within the District recommendations following the process specified in Chapter 14.27 of the Municipal Code for increasing the special tax and/or revising the scope of services in the district.

FUND RESTRICTIONS:

All disbursements, including interest earnings, are restricted to the purposes for which the Facilities District was created.

Special tax increases and changes to the usage of funds which are deposited in the Community Facilities District No. 1 (Capital Auto Mall) Fund are subject to Proposition 218 and Chapter 14.27 of the San Jose Municipal Code, which incorporates by reference many of the provisions of the Mello-Roos Community Facilities Act of 1982 (Government Code section 53311 *et seq.*).

LEAD RESPONSIBILITY:

- Public Works Department
- Department of Transportation

FINANCIAL INFORMATION AND LOCATION:

Comprehensive Annual Financial Report (CAFR) Designation:

Governmental Fund-Special Revenue

Budget Location:

Adopted Operating Budget

Funding Sources Resolution and Appropriation Ordinance Location:

Section 7.17

**Community Facilities District No. 1
(Capitol Auto Mall) Fund****Fund 371****NOTES:****Location of District:**

The boundary of Community Facilities District No. 1 is generally described as the area bounded roughly by:

- Hillsdale Avenue on the North,
- State Route 87 on the West,
- Lewiston Drive on the South, and
- Almaden Expressway on the East.