Supervisors Honor 30-Year Promise to Dissolve Taxing Districts

Orange County supervisors formally dissolved eight special taxing districts in South Orange County on Tuesday and ordered $4.3 million in property owner tax credits, ranging from $49.84 to $3,664.01 per parcel.

“The County made a promise 30 years ago to collect what was needed to finance public improvements and to end the payments when they were no longer necessary,” said Board of Supervisors Chairwoman Lisa Bartlett, Fifth District, who represents South Orange County. “We’ve honored our promise and a significant number of residents will no longer be assessed this tax.”

First formed in 1986, the Community Facilities Districts (CFDs) came to represent for many the cost of living in South County. The County collected so-called Mello-Roos fees from property owners to recover the costs of building schools, fire stations, sheriff substations, transportation improvements, parks, utilities and other public facilities. The special tax assessments are named after state Sen. Henry J. Mello and Assemblyman Mike Roos, authors of the Mello-Roos Community Facilities Act of 1982.

The abolished districts are among 24 County CFDs and another 68 CFDs formed by cities, school districts and special districts across Orange County. A ninth County CFD will be dissolved in the coming months. Property owners will receive a one-time property tax credit on their next year’s tax bill ranging from $49.84 to $3,664.01 based on surplus amounts remaining in district accounts; special tax liens recorded on the affected properties also will be removed.

CFDs remain a viable way to fund the construction of major public improvements. In March, the County formed its newest CFD to fund $90,845,000 in facilities and infrastructure for the Village of Esencia in the new Rancho Mission Viejo development.

More information about the remaining CFDs in Orange County can be found here:
http://media.ocgov.com/gov/ttc/proptax/infofaq/mello_roos_information/default.asp

A list of Orange County CFDs, excluding the most recent Esencia CFD, can be found here from a periodic report published in 2012:

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