



Agenda Report

File #: 18-2354

AGENDA REPORT REQUEST FOR CITY COUNCIL ACTION

DATE: 12/10/2018

TO: Honorable Mayor and City Council Members

FROM: Administrative Services Department

SUBJECT:

City Council consideration of Resolution No. 2018-127, declaring intention to annex territory to Community Facilities District No. 2016-3 (Maintenance Services) of the City of Corona, and adopting a map of the area proposed to be annexed thereto (Annexation No. 9).

RECOMMENDED ACTION:

That the City Council:

1. Adopt Resolution No. 2018-127, declaring intention to annex territory to Community Facilities District No. 2016-3 (Maintenance Services) of the City of Corona, and adopting a map of the area proposed to be annexed thereto (Annexation No. 9).
2. Authorize the Purchasing Agent to increase Purchase Order P20751 in the amount of \$2,500.

ANALYSIS:

The proposed development is comprised of one parcel totaling 1.4 acres, located on Ibbetson Street approximately one-half mile south of the corner of Malaga Street and Upper Drive, in the City of Corona, County of Riverside, State of California, as shown by Assessor's Parcel Map on file in Book 114, Page 69 of Maps, in the Office of the County of Riverside, County, California. Gross Acreage is approximately 1.4 acres, as shown in Exhibit "A" ("Subject Parcel") of the Resolution No. 2018-127. The developer proposes to construct an additional detached single-family residence and leave the existing single-family residence on a separate lot on the Subject Parcel.

As a condition of approval for TTM 36873, the Subject Parcel is required to be annexed into Community Facilities District No. 2016-3 ("CFD No. 2016-3") in order to pay for the maintenance of master-planned landscaping, lighting, traffic signals, parks, parkways, streets, roads and open spaces, maintenance and operation of storm drainage facilities in the area, the owners of the Subject Parcel, Kenneth and Sarah Ibbetson, have submitted a petition to the City requesting that the Subject Parcel be annexed to CFD No. 2016-3.

CFD 2016-3 was formed by the City Council on December 7, 2016 pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982 ("Act"). The initial step in the process to annex the Subject Parcel to CFD 2016-3 is for the City Council to adopt Resolution No. 2018-127, which declares the City's intention to conduct proceedings for the proposed annexation and set the public hearing for January 16, 2019. Should Resolution No. 2018-127 be approved, and annexation process proceed, the City Council will be presented with more information regarding the special taxes to be levied on the Subject Parcel, and the maintenance services to be provided by CFD 2016-3 at the public hearing.

The total annexation cost is being borne by the property owner. The City awarded the special tax consulting services to Spicer Consulting Group ("SCG") in January 2018 through a competitive process. A Purchase Order ("PO") was issued in the amount of \$160,000 to cover all existing special tax district administration work. The cost of this requested annexation is not covered by the existing PO with SCG. Therefore, staff is requesting to increase PO P20751 by \$2,500, calculated based on the mutually agreed upon rates per the Professional Services Agreement ("PSA") between the City and SCG.

COMMITTEE ACTION:

Not applicable.

STRATEGIC PLAN:

Not applicable.

FISCAL IMPACT:

The proposed annexation will establish Tax Zone 10 within CFD 2016-3. The Subject Parcel will be assessed as Single Family Residential and will benefit from the existing and future landscaping, street lighting, traffic signals, drainage, streets, parks, and graffiti abatement maintenance services for this area.

The proposed annexation will result in approximately \$1,662 of additional special tax revenues per year, from the planned two residential units at build-out, based on the annual rate of \$831 per residential unit.

The total annexation cost including City Attorney fees, assessment engineer fees, publication, and City staff time is borne by the property owner.

ENVIRONMENTAL ANALYSIS:

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the adoption of the resolutions may have a significant effect on the environment, the action is not subject to CEQA. This action merely declares the City's intent to annex the Subject Parcel to CFD 2016-3 and there is no possibility that adopting the above resolution will have a significant effect on the environment. Therefore, no environmental analysis is required.

PREPARED BY: LIEN-CHI CANTUBA, FINANCIAL ANALYST III

REVIEWED BY: JENNIFER SCHAEFER, FINANCE MANAGER

REVIEWED BY: KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES
DIRECTOR

REVIEWED BY: MICHELE NISSEN, ASSISTANT CITY MANAGER

SUBMITTED BY: DARRELL TALBERT, CITY MANAGER