



Agenda Report

File #: 19-0646

AGENDA REPORT REQUEST FOR CITY COUNCIL ACTION

DATE: 7/17/2019

TO: Honorable Mayor and City Council Members

FROM: Administrative Services Department

SUBJECT:

City Council consideration of Resolution No. 2019-074 levying special taxes to be collected during Fiscal Year 2019-20 for the payment of the annual cost of maintenance services within Community Facilities District No. 2016-3 (Maintenance Services).

RECOMMENDED ACTION:

That the City Council adopt Resolution No. 2019-074 levying special taxes to be collected during Fiscal Year 2019-20 the payment of the annual cost of maintenance services within Community Facilities District No. 2016-3 (Maintenance Services).

ANALYSIS:

It is necessary that the City Council levy special taxes for the payment of annual costs of maintaining, servicing, cleaning, repairing and/or replacing landscaped areas (may include reserves for replacement) in public street right-of-way, public landscaping, public open spaces and other similar landscaped areas officially dedicated for public use, including, but not limited to, maintenance and lighting of parks, parkways, streets, roads and open space, maintenance and operation of water quality improvements and storm drain systems, and public street sweeping within Community Facilities District No. 2016-3 (Maintenance Services) (the "District"), and the surrounding area, pursuant to Section 53340 of the Government Code. Special taxes within the District are levied in an amount necessary to satisfy the Special Tax Requirement, as defined in the District's Rate and Method of Apportionment (RMA). Any necessary replenishment or expenditure of the reserve funds and an amount estimated for administrative expenses during the year are included in the levy. The special taxes levied will not exceed the authorized amounts as provided in the RMA.

COMMITTEE ACTION:

Not applicable.

STRATEGIC PLAN:

This item supports the City's Strategic Plan Goal 6: Improve Communications with Our Community;

Objective a: Commit to transparency in all City actions. The recommended action will help achieve these goals by providing concise, forthright information regarding the annual special taxes that will be levied on each subject parcel within the District.

FISCAL IMPACT:

The following is a summary of the FY 2019-20 budgeted revenues and expenditures for the District:

CFD 2016-3 Zones	Estimated Operating Costs	Estimated Assessments	Estimated Excess	Percentage of Maximum Tax
Zone 2	\$3,033	\$27,847	\$24,814	100%
Zone 3	\$707	\$2,539	\$2,472	100%
Zone 4	\$2,403	\$10,396	\$7,993	100%
Zone 6	\$2,982	\$19,110	\$16,128	100%
Zone 8	\$1,174	\$1,430	\$256	100%

The estimated operating excess will be accumulated in the reserve account for each zone to pay for current and future capital replacement projects. Pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Act"), an adequate amount is retained in the reserve accounts to maintain the financial stability of the District.

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 activity in question may have a significant effect on the environment, the action is not subject to CEQA. This action merely sets the special taxes to be levied and collected within the District for Fiscal Year 2019-20, and there is no possibility that adopting the resolution will have a significant effect on the environment.

PREPARED BY: LIEN-CHI CANTUBA, FINANCIAL ANALYST III

REVIEWED BY: JENNIFER SCHAEFER, FINANCE MANAGER III

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

REVIEWED BY: MICHELE NISSEN, ASSISTANT CITY MANAGER

SUBMITTED BY: MITCHELL LANSDELL, ACTING CITY MANAGER

Attachments:

1. District Map
2. Resolution No. 2019-074