



Agenda Report

File #: 19-0971

AGENDA REPORT REQUEST FOR CITY COUNCIL ACTION

DATE: 11/20/2019

TO: Honorable Mayor and City Council Members

FROM: Administrative Services Department

SUBJECT:

City Council consideration of Resolution No. 2019-096, certifying the results of an election and adding territory to Community Facilities District No. 2016-1 (Public Services) of the City of Corona (Annexation No. 15).

RECOMMENDED ACTION:

That the City Council adopt Resolution No. 2019-096, certifying the results of an election and adding territory to Community Facilities District No. 2016-1 (Public Services) of the City of Corona (Annexation No. 15).

ANALYSIS:

Dennis Armstrong, Stacie Hobbs, and Betzalel Louk ("Owners") are the owners of two developments comprised of four parcels totaling 5.29 gross acres ("Properties"). The first development is located on the west side of Lester Avenue, north of Golden Harvest Drive, and is being processed under Tentative Parcel Map (TPM) waiver application 37521 with the City. The second development is located west of Lester Avenue and south along Golden Harvest Drive and is being processed under TPM waiver application 37765 with the City. Due to the proximity and similar nature of improvements, these developments are being annexed into the same CFD zone.

The Owners have agreed to annex the Properties into Community Facilities District No. 2016-1 ("CFD No. 2016-1") for the purpose of financing police protection services (including but not limited to criminal justice services), fire protection and suppression services, and paramedic services ("Public Services") within the area of CFD No. 2016-1, which is necessary to serve new developments within the Properties.

CFD No. 2016-1 was formed by the City Council on March 2, 2016 pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982 ("Act"). As part of the formation process and in accordance with the Act, the City Council also established an area designated as the "Future Annexation Area" for CFD No. 2016-1 and authorized the annexation of parcels within the Future

Annexation Area to CFD No. 2016-1 upon the unanimous approval and election of the Owner(s) of any such parcel authorizing the levy of special taxes upon such parcel following the annexation of such parcel to CFD No. 2016-1. The annexation of parcels within the Future Annexation Area can be accomplished without any further public hearings or additional proceedings. The Properties are within the Future Annexation Area and, thus, can be annexed to CFD No. 2016-1 with the unanimous approval and election of the Owners.

Prior to tonight's City Council meeting, the Owners executed the Consent and Waiver to Shortening of Time for Conducting a Special Elections, which are on file in the City Clerk's office and submitted ballots, which authorize the annexation of the Properties to CFD No. 2016-1 and the levy of special taxes on the Properties to pay for the Public Services.

The attached resolution will certify the results of the election on the annexation of the Properties to CFD No. 2016-1 and annex the Properties to CFD No. 2016-1.

COMMITTEE ACTION:

Not applicable.

STRATEGIC PLAN:

Not applicable.

FISCAL IMPACT:

Per tax rate set by the Rate and Method of Apportionment (RMA), total maximum assessment rate for CFD No. 2016-1 is \$580.43 per single family and \$402.70 per multi-family residential unit for Fiscal Year 2019-20. The RMA provides for an annual escalation up to the greater of 4% or the Consumer Price Index (CPI) on July 1, subject to the approval of the City Manager.

On March 1 of each year, every residential building for which a building permit has been issued will be subject to the special taxes in the ensuing fiscal year. Approval of the attached resolution is anticipated to result in approximately \$1,160 of additional annual special tax revenue per year when the Properties is fully developed as planned. The additional assessment for CFD No. 2016-1 will provide a portion of the cost of Public Services to be provided to the residents within the Properties. The Owners will pay for the entire annexation cost.

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 annexes the Properties to CFD No. 2016-1 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

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REVIEWED BY: JENNIFER SCHAEFER, FINANCE MANAGER III

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

SUBMITTED BY: MITCHELL LANSDELL, INTERIM CITY MANAGER

Attachment:

1. Resolution No. 2019-096 Certifying the Results of an Election and Adding territory to CFD No. 2016-1.