



Agenda Report

File #: 20-0776

**AGENDA REPORT
REQUEST FOR CITY COUNCIL ACTION**

DATE: 09/16/2020

TO: Honorable Mayor and City Council Members

FROM: Administrative Services Department

SUBJECT:

City Council consideration of Resolution No. 2020-121, 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. 19).

RECOMMENDED ACTION:

That the City Council:

- a. Adopt Resolution No. 2020-121, 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. 19).
- b. Authorize the Purchasing Manager to approve a change order in the amount of \$8,250 to Purchase Order P21554 for a total purchase order amount of \$224,750.

ANALYSIS:

The development is comprised of an empty lot located north of the 91 freeway, at the southwest corner of S Promenade Ave and Cresta Rd. The gross acreage for the entire property in the boundary area is approximately 4.46 acres, as shown in Exhibit "A" of Resolution No. 2020-121 ("Subject Parcel"). The property owner proposes to construct 23 residential lots.

As a condition of approval, 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 landscaping, street lighting, streets, drainage facilities, parks and graffiti abatement. The owner of the Subject Parcel, EB Corona, LLC, has submitted a petition to the City requesting that the Subject Parcel be annexed to CFD No. 2016-3.

CFD No. 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 No. 2016-3 is for the City Council to adopt Resolution No. 2020-121, which declares the City's intention to conduct proceedings for the proposed annexation and set the public hearing for October 21, 2020.

Should Resolution No. 2020-121 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 No. 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. The cost of this requested annexation is not covered by the existing PO with SCG. Therefore, staff is requesting to increase PO P21554 by \$8,250, 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 19 within CFD No. 2016-3. The Subject Parcel will be assessed as residential lots and will benefit from the existing and future landscaping, street lighting, streets, drainage maintenance, parks and graffiti abatement. This annexation will bring \$24,302 in revenue from the planned residential lots at build-out.

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 No. 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

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REVIEWED BY: JENNIFER SCHAEFER, FINANCE MANAGER III

REVIEWED BY: KIM SITTON, ACTING ADMINISTRATIVE SERVICES DIRECTOR

REVIEWED BY: ROGER BRADLEY, ASSISTANT CITY MANAGER

SUBMITTED BY: JACOB ELLIS, CITY MANAGER

Attachments:

1. Exhibit 1 - Annexation No. 19 Project Map
2. Exhibit 2 - Resolution No. 2020-121