



Legislation Text

---

File #: 17-591, Version: 1

---

**AGENDA REPORT  
REQUEST FOR CITY COUNCIL ACTION**

DATE: 4/5/2017

TO: Honorable Mayor and City Council Members

FROM: Administrative Services Department

**SUBJECT:**

City Council consideration to adopt Resolution No. 2017-016, calling special election, and Resolution No. 2017-017, declaring results of the special election for Community Facilities District No. 2016-3 (Maintenance Services) of the City of Corona on the proposition of the annual levy of special taxes within the territory proposed to be annexed (Annexation No. 1).

**RECOMMENDED ACTION:**

That the City Council:

1. Adopt Resolution No. 2017-016 calling special election and submitting to the qualified electors of territory proposed to be annexed to Community Facilities District No. 2016-3 (Maintenance Services) of the City of Corona the question of levying special taxes within the territory proposed to be annexed (Annexation No. 1).
2. Adopt Resolution No. 2017-017 declaring the results of the special election for Community Facilities District No. 2016-3 (Maintenance Services) of the City of Corona on the proposition of the annual levy of special taxes within the territory proposed to be annexed to said Community Facilities District to pay the costs of certain services to be provided by the Community Facilities District, determining that the territory proposed to be annexed is added to and part of said Community Facilities District with full legal effect (Annexation No. 1).

**ANALYSIS:**

LCG Harrington, LLC, a Delaware limited liability company ("Owner") is the owner of certain real property located at the southeast corner of North Lincoln Avenue and Harrington Street, identified as Assessor Parcel Numbers 119-190-022, 119-190-025, and 119-190-029 ("Property"). In connection with the City's approval of Tract Map No. 36427, the Owner has agreed to annex the Property to Community Facilities District No. 2016-3 ("CFD 2016-3") for the purpose of financing the maintenance and lighting of landscape, parkways, streets roads, open spaces, drainage, and graffiti abatement within the area of the proposed annexation ("Maintenance Services") within the area of

CFD 2016-3, which is necessary to serve new development within Tract 36427.

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 service to be provided and funded by CFD 2016-3 includes all cost attributable to 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. The services include maintenance and lighting of parks, parkways, streets, roads and open spaces, the maintenance and operation of water quality improvements and storm drainage systems.

On March 1, 2017 the City Council adopted Resolution No. 2017-012, a resolution of intention to annex the Property to CFD 2016-3. Notice of Public Hearing was published as required by law.

Resolution No. 2017-016 calls for special election, and submit to the qualified electors of the proposed annexation and the levying of a special tax. Resolution No. 2017-017 declares the result of the special election.

Should these resolutions be approved, the territory proposed to be annexed is added to and part of CFD 2016-3 with full legal effect and, upon recordation of a Notice of Special Tax Lien, special taxes may be levied against properties within the annexed area within CFD 2016-3 commencing Fiscal Year 2017-18.

**COMMITTEE ACTION:**

Not applicable.

**STRATEGIC PLAN:**

Not applicable.

**FISCAL IMPACT:**

Per tax rate set by the Rate and Method of Apportionment, total maximum assessment rate for the proposed tax zone is \$368 per multi-family residential unit for Fiscal Year 2017-18. The rate is proposed to escalate on July 1 of each year at the greater of Consumer Price Index (CPI) or 2%.

The proposed development includes 148 multi-family residential units. 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 \$55,553 of additional annual special tax revenue in Fiscal Year 2018-19 or later to provide the Maintenance Services once the Property is fully developed as planned.

**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 Property to Community Facilities District 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:** PATRICIA SONG, CPA, FINANCE MANAGER

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

**SUBMITTED BY:** DARRELL TALBERT, CITY MANAGER