File #: 19-0449, **Version:** 1

AGENDA REPORT
REQUEST FOR CITY COUNCIL ACTION

DATE: 5/15/2019

TO: Honorable Mayor and City Council Members

FROM: Administrative Services Department

SUBJECT:
City Council consideration of Resolution No. 2019-025, 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. 14).

RECOMMENDED ACTION:
That the City Council adopt Resolution No. 2019-025, 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. 14).

ANALYSIS:
Padilla Family Trust ("Owner") is the Owner of one parcel totaling 6.05 acres, located west of the corner of Lemon Grove Lane and Seven Oaks Drive in the City of Corona, County of Riverside, State of California. The net acreage for the development is approximately 2.15 acres ("Property"). The Owner proposes to construct two additional detached single-family residences and leave the existing single-family residence on a separate lot on the Property.

The Owner has agreed to annex the Property into Community Facilities District No. 2016-1 ("CFD 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 2016-1, which is necessary to serve new development within the Property.

CFD 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 2016-1 and authorized the annexation of parcels within the Future Annexation Area to CFD 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 2016-1. The

annexation of parcels within the Future Annexation Area can be accomplished without any further public hearings or additional proceedings. The Property is within the Future Annexation Area and, thus, can be annexed to CFD 2016-1 with the unanimous approval and election of the Owner.

Prior to tonight's City Council meeting, the Owner executed the attached Consent and Waiver to Shortening of Time for Conducting a Special Elections, which is on file in the City Clerk's office and submitted ballots, which authorize the annexation of the Property to CFD 2016-1 and the levy of special taxes on the Property to pay for the Public Services.

The attached resolution will certify the results of the election on the annexation of the Property to CFD 2016-1 and annex the Property to CFD 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 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 Property is fully developed as planned. The additional assessment for CFD 2016-1 will provide a portion of the cost of Public Services to be provided to the residents within the Property. The Owner 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 Property to Community Facilities District 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

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