



STAFF REPORT
9/25/2024

TO: Honorable Mayor and City Council Members

FROM: Gabriel Perez, Development Services Director

SUBJECT: Community Facilities District (CFD No. 2005-01) Annexation 36 – (Sevilla II-Pyramid Ranch)

SPECIFICS: Ordinance No. 1215 on Behalf of CFD No. 2005-01 Authorizing the Levy of a Special Tax within Annexation Area No. 36 Annexed to Said District (2nd Reading)

STAFF RECOMMENDATION:

Staff recommends that the City Council take the following action:

- 1) Adopt Ordinance No. 1215 Authorizing the Levy of a Special Tax within Annexation Area No. 36 Annexed to CFD No. 2005-01.

BACKGROUND:

On September 14, 2005 the City Council adopted Resolution No. 2005-93 establishing the City of Coachella Community Facilities District No. 2005-01 (Law Enforcement, Fire and Paramedic Services) pursuant to the Mello-Roos Community Facilities Act of 1982, as amended. The District and several annexations of territory have been established in the City of Coachella over the past 17 years. The annexation areas consist of new residential subdivisions and multifamily residential development projects.

On July 24, 2024, the City Council adopted Resolution No. 2024-40 stating its intention to annex certain property (APN# 779-280-002 and 779-320-001), consisting of the Pyramid Ranch project (previously known as Sevilla II) (“Annexation Area No. 36”) into the District pursuant to the Act. A copy of Resolution No. 2040-40 which includes a description and map of Annexation Area No. 36, and the rate and method of apportionment and manner of collection of the special tax are on file with the City Clerk.

DISCUSSION/ANALYSIS

Pursuant to the conditions of approval imposed on the Pyramid Project which includes construction of a new 204 single-residential community on 39.35 acres generally located west of Van Buren Street and south of Avenue 50, the project site must be annexed into the City-wide Community

Facilities District (CFD No. 2005-01). The City Council took the first step in this process by adopting a resolution of intention on July 24, 2024 (Resolution No. 2024-40). The City Council canvassed the results of the special election on September 11, 2024 and the property owner voted in favor of annexing into the CFD 2005-1 and therefore approved Ordinance No. 1215 on first reading to authorize the levy of the special tax for Annexation Area No. 36. The City Council must take action to adopt Ordinance No. 1215 by second reading in order to levy the special tax within Annexation 36.

FISCAL IMPACT:

The ordinance action would pave the way to annex the Pyramid Ranch site (Annexation No. 36) into the City-wide CFD which would collect an annual assessment that pays for Law Enforcement, Fire and Paramedic Services. The current rate and apportionment method would collect \$1,516.52 for every dwelling unit that is constructed within the developed multifamily residential project. Ultimately, these funds will be used to augment the operating costs for police, fire, and paramedic services in the City of Coachella.

ALTERNATIVES:

1. Adopt the attached resolutions and introduce Ordinance 1215 (2nd Reading)
2. Continue this item and provide staff with direction.
3. Take no action.

RECOMMENDED ALTERNATIVE(S):

Staff recommends alternative #1.

Attachments:

1. Ordinance No. 1215 (2nd Reading)
2. Exhibit A - Rate and Method (CFD 2005-01)
3. Exhibit B - CFD Annexation Map 36