



STAFF REPORT
5/24/2023

TO: Honorable Mayor and City Council Members

FROM: Gabriel Perez, Development Services Director

SUBJECT: Community Facilities District (CFD No. 2005-01) Annexation 35 – (Tripoli Apartments)

SPECIFICS: Ordinance No. 1203 on Behalf of CFD No. 2005-01 Authorizing the Levy of a Special Tax within Annexation Area No. 35 Annexed to Said District (2nd Reading)

STAFF RECOMMENDATION:

Staff recommends that the City Council open the public hearing and take the following actions:

- 1) Adopt Ordinance No. 1203 Authorizing the Levy of a Special Tax within Annexation Area No. 35 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 April 19, 2023, the City Council adopted Resolution No. 2023-19 stating its intention to annex certain property (APN# 778-081-003 and -001), consisting of Tripoli Apartments (“Annexation Area No. 32”) into the District pursuant to the Act. A copy of Resolution No. 2023-19 which includes a description and map of Annexation Area No. 35, 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 Architectural Review No. 22-04, which includes construction of a new 108-unit multifamily residential community on 2.8 acres located at the northeast corner of Cesar Chavez Street and Bagdad Avenue, 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 April 19, 2023 (Resolution No. 2023-19) describing the property in question for 108 units. The second phase of the development will be part of a separate CFD annexation area and special election.

The resolution of intention affirmed the Annexation 35 Map, and the rate and method of tax collection for the annexed property. The CFD is collected through the annual property tax assessment rolls and, for this project, may be subject to a subsequent Agreement for deferral of assessments. The City Council held a public hearing on May 24, 2023 and adopted the following resolutions and introduced Ordinance No. 1203:

Resolution 2023-34 of the City Council Determining the Validity of Prior Proceedings relating to Annexation of Property (Annexation 35) in the City of Coachella Community Facilities District No. 2005-01 (Law Enforcement, Fire and Paramedic Services).

Resolution 2023-35 of the City Council acting on Behalf of the City of Coachella Community Facilities District No. 2005-01 (Law Enforcement, Fire and Paramedic Services) Calling a Special Election within Annexation Area 35.

Resolution 2023-36 of the City Council acting on Behalf of the City of Coachella Community Facilities District No. 2005-01 (Law Enforcement, Fire and Paramedic Services) Canvassing the Results of the Election Held Within Annexation Area No. 35 Annexed to Said District.

Ordinance No. 1203 – Introduce an Ordinance of the City Council acting on Behalf of the City of Coachella Community Facilities District No. 2005-01 (Law Enforcement, Fire and Paramedic Services) Authorizing the Levy of a Special Tax Within Annexation Area No. 35 Annexed to Said District (First Reading).

The City Council will need to adopt Ordinance No. 1203 by second reading to levy the special tax for Annexation No. 35.

FISCAL IMPACT:

The attached resolutions and ordinance actions would pave the way to annex the Tripoli Apartments site (Annexation No. 35) 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 \$1,348.10 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 Ordinance 1203 for 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. 1203 (2nd Reading)
2. Exhibit A - Rate and Method (CFD 2005-01)
3. Exhibit B - CFD Annexation Map 35