



STAFF REPORT
6/24/2020

TO: Honorable Mayor and City Council Members

FROM: Luis Lopez, Development Services Director

SUBJECT: Community Facilities District (CFD No. 2005-01) – Pueblo Viejo Villas

SPECIFICS:

- a) Resolution No. 2020-36 Determining the Validity of Prior Proceedings relating to Annexation of Property in the City of Coachella CFD No. 2005-01 (Law Enforcement, Fire and Paramedic Services).
- b) Resolution No. 2020-37 on Behalf of CFD No. 2005-01 Calling a Special Election.
- c) Resolution No. 2020-38 Canvassing The Results of The Election Held Within CFD No. 2005-01 (Area No. 31)
- d) Ordinance No. 1164 on Behalf of CFD No. 2005-01 Authorizing the Levy of a Special Tax within Annexation Area No. 31 Annexed to Said District (*1st Reading*)

STAFF RECOMMENDATION:

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

- 1) Adopt Resolution No. 2020-36 and Direct City Clerk to orally verify proof of publication of notices pursuant to Mello-Roos CFD Act of 1982, and confirm absence of any landowner protest;
- 2) Adopt Resolution No. 2020-37 Calling a Special Election.
- 3) Adopt Resolution No. 2020-38 Canvassing the Results of The Election within CFD No. 2005-01 (Annexation Area No. 31)
- 4) Introduce for 1st Reading, by title only, Ordinance No. 1164 Authorizing the Levy of a Special Tax within Annexation Area No. 31 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

15 years. The annexation areas consist of new residential subdivisions and multifamily residential development projects.

On May 13, 2020 the City Council adopted Resolution No. 202-29 stating its intention to annex certain property, consisting of Parcel 2 of Lot Line Adjustment 2018-02 (“Annexation Area No. 31”) also known as the “Pueblo Viejo Villas” site into the District pursuant to the Act. A copy of Resolution No. 2020-29 which includes a description and map of Annexation Area No. 31, and the rate and method of apportionment and manner of collection of the special tax are on file with the City Clerk.

This item was continued from the June 10, 2020 public hearing because the developer had not yet received the Petition and Waiver and the Official Ballot from the current land owner. Those two documents are now attached to this staff report.

DISCUSSION/ANALYSIS:

Pursuant to the conditions of approval imposed on Conditional Use Permit No. 294 which approved the mixed-use building for the Pueblo Viejo Villas transit-oriented development (consisting of a 105-unit multifamily apartments building with 3,000 square feet of commercial) on 2.61 acres of vacant land located at the northeast corner of Cesar Chavez Street and 6th Street, 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 May 13, 2020 (Resolution No. 2020-29) describing the property in question.

The resolution of intention affirmed the Annexation 31 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 has previously entered into CFD assessment financing agreements on new affordable housing developments, and the proposed project will be an affordable housing development. There is currently one landowner and they have filed a “Petition and Waiver” with the City Clerk’s Office certifying their desire to create the District under shortened timelines.

Attached for the City Council’s review and approval are the following resolutions and Ordinance action items:

Resolution 2020-36 of the City Council Determining the Validity of Prior Proceedings relating to Annexation of Property in the City of Coachella Community Facilities District No. 2005-01 (Law Enforcement, Fire and Paramedic Services).

Resolution 2020-37 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.

Resolution 2020-38 of the City Council acting on Behalf of the City of Coachella Community Facilities District No. 2005-01 (Law Enforcement, Fire and Paramedic Services).

Services) Canvassing the Results of the Election Held Within Annexation Area No. 31 Annexed to Said District.

Ordinance No. 1164 - 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. 31 Annexed to Said District (First Reading).

On the night of the public hearing, staff will provide the Mayor, or designee, with specific instructions on the necessary procedures and public announcements for conducting the above public hearings, and adopting the resolution and ordinance actions.

FISCAL IMPACT:

The attached resolutions and ordinance actions would pave the way to annex the Pueblo Viejo Villas Apartments site (Annexation No. 31) 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 \$1,197.23 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 for 1st Reading, by title only.
2. Continue this item and provide staff with direction.
3. Take no action.

RECOMMENDED ALTERNATIVE(S):

Staff recommends Alternative #1 as noted above.

Attachments: Resolution No. 2020-36
 Resolution No. 2020-37
 Resolution No. 2020-38
 Ordinance No. 1164 (1st Reading)
 Petition & Waiver
 CFD Annexation Map 31
 Owner's Official Ballot
 Rate and Method (CFD 2005-01)
 CFD 2005-01 Report (Annexation of Area 31)