RESOLUTION NO. 2024-12

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE A SETTLEMENT AGREEMENT BETWEEN THE CITY AND THE BUILDING INDUSTRY ASSOCIATION OF SAN DIEGO RESOLVING LITIGATION REGARDING THE CITYWIDE SERVICES COMMUNITY FACILITIES DISTRICT

WHEREAS, on or about February 26, 2021, the Building Industry Association of San Diego County

("BIASD") filed a Petition for Writ of Mandate and Complaint for Declaratory Relief against the City of Escondido ("City") in San Diego Superior Court, Case No. 37-2021-00008423-CU-MC-CTL ("Lawsuit") wherein it challenged and sought judicial review of Ordinance No. 2020-24, and other City policies and development approval prerequisites including but not limited to Ordinance No. 2020-10 (Citywide Services Community Facilities District, CFD 2020-1), which required new residential development applicants to annex into the Services CFD or establish an acceptable alternative funding mechanism to offset the fiscal impacts of the new development on City public services; and

WHEREAS, on or about October 21, 2020, the City adopted Ordinance No. 2020-24 enacting Escondido Municipal Code § 6-457 (Other fees and exactions for public services); and

WHEREAS, on January 24, 2024, the City Council considered and adopted Ordinance No. 2024-02 repealing Ordinance No. 2020-10 and Ordinance No. 2020-24 based on a review of a new Fiscal Impact Analysis; and

WHEREAS, the repeal of the Services CFD has rendered the Lawsuit moot; and

WHEREAS, the City and the BIASD have tentatively agreed to enter into a Settlement Agreement attached hereto as Exhibit "A" fully resolving the Lawsuit and that each party will be responsible for payment of its own legal costs related to the Lawsuit; and

WHEREAS, it is in the best interests of the City to fully resolve the Lawsuit without incurring further attorney's fees and costs.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Escondido, California, as follows:

1. That the above recitations are true and are incorporated herein.

2. That the City Manager is authorized to execute a Settlement Agreement, attached hereto as Exhibit "A," and any related documents between the City and the Building Industry Association of San Diego County, in a form approved by the City Attorney and consistent with the terms and intent of this Resolution.