

ORDINANCE NO. 2024-02

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ESCONDIDO, CALIFORNIA, REPEALING ORDINANCE NO. 2020-10, ORDINANCE NO. 2020-24, AND RESOLUTION NO. 2020-44, WHICH TOGETHER AUTHORIZED FORMATION AND IMPLEMENTATION OF THE CITYWIDE COMMUNITY FACILITIES DISTRICT (CFD 2020-1) AND ASSOCIATED PROPERTY TAX LEVIES

The City Council of the City of Escondido ("City Council"), California, DOES HEREBY ORDAIN as follows:

SECTION 1. The City Council makes the following findings:

WHEREAS, on May 13, 2020, the City Council of the City of Escondido ("City Council") adopted Resolution No. 2020-44 authorizing formation of the Citywide Services Community Facilities District, CFD 2020-1 ("Services CFD"); and

WHEREAS, on May 13, 2020, the City Council adopted Ordinance No. 2020-10 authorizing the levy of special taxes for the Services CFD; and

WHEREAS, on October 21, 2020, the City Council adopted Ordinance No. 2020-24 authorizing the conditioning of any development permit or entitlement on the establishment of a funding mechanism to offset the impacts to ongoing public services; ("Services Funding Ordinance"); and

WHEREAS, on October 21, 2020, the City Council adopted an amendment to Escondido Municipal Code § 6-434 to include as subsection (g) the following provision "Fees and exactions for public services referenced in Escondido Municipal Code Section 6-457"; and

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 which required new residential development applicants to annex

into CFD 2020-1 or establish an acceptable alternative funding mechanism to offset the fiscal impacts of the new development on City public services; and

WHEREAS, the City Council adopted Resolution No. 2023-156 on December 13, 2023 setting all levies for the Services CFD to \$0 per year; and

WHEREAS, the City disputes the allegations of the Lawsuit and maintains that all of its municipal code provisions, ordinances, resolutions, policies, and legislative actions, as well as any and all fees of any type and amount imposed and recovered to date, are lawful and consistent with state law; and

WHEREAS, the City Council desires to prevent future Services CFD levies unless and until the City completes another distinct CFD formation process in compliance with state law; and

WHEREAS, in light of the adoption of Resolution No. 2023-156, it is in the best interests of the City to repeal ordinances with implement the Services CFD; and

WHEREAS, the City Council therefore desires to repeal and rescind in their entirety Ordinance No. 2020-10 and Ordinance No. 2020-24 and such related code provisions implementing Citywide Services Community Facilities District, CFD 2020-1.

SECTION 2. The City Council did hold a regularly scheduled and noticed meeting to consider this ordinance.

SECTION 3. That, upon consideration of the staff report, draft ordinance, and public comments, the City Council does HEREBY ordain as follows:

- a. That the above recitations and those contained in Resolution No. 2023-156 are true and are incorporated herein.
- b. That Resolution No. 2020-44 adopted on May 13, 2020 is hereby repealed in its entirety.
- c. That Ordinance No. 2020-10 adopted on May 13, 2020 is hereby repealed in its entirety.

- d. That Ordinance No. 2020-24 adopted on October 21, 2020 resulting in any amendments to the Escondido Municipal Code is hereby repealed in its entirety including, but not limited to, Escondido Municipal Code § § 6-434(g) and 6-457.

SECTION 4. SEPARABILITY. If any section, subsection sentence, clause, phrase or portion of this Ordinance is held invalid or unconstitutional for any reason by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions.

SECTION 5. That as of the effective date of this ordinance, all ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION 6. The City Council authorizes all subsequent action to be taken by City Officials consistent with this Ordinance.

SECTION 7. That the City Clerk is hereby directed to certify to the passage of this Ordinance and to cause the same or a summary to be prepared in accordance with Government Code Section 36933, to be published one time within 15 days of its passage in a newspaper of general circulation, printed and published in the County and circulated in the City of Escondido.

SECTION 8. The Ordinance shall become effective 30 days from the date of the passage.