

TO: JAMES L. APP, CITY MANAGER
FROM: BOB LATA, COMMUNITY DEVELOPMENT DIRECTOR
SUBJECT: ANNEXATION FEE FOR COMMUNITY FACILITIES DISTRICT

DATE: MARCH 15, 2005

Needs: For the City Council to consider adopting the attached Resolution establishing a fee for annexation to the City's Community Facilities District.

Facts:

1. Consistent with the General Plan policies on fiscal neutrality, the City Council is establishing a Community Facilities District (CFD) to pay for the incremental costs of services to residential development.
2. On February 15, 2005 the City Council adopted a Resolution of Intention to hold a public hearing to consider formation of a services-related CFD on April 5, 2005.
3. In order to defray the City's costs of annexation of properties to a CFD, it is proposed that the City Council adopt a Resolution establishing a processing fee.
4. Attached is a resolution with a proposed processing fee of \$350 for the first lot or dwelling unit, and \$150 for every lot or dwelling unit thereafter added to a CFD. The proposed processing fee is based on a recommendation from David Taussig & Associates, the City's consultants on formation of a CFD.

Analysis
and

Conclusion: Adoption of a processing fee for annexation to the City's CFD would be consistent with the City policy of fiscal neutrality.

Policy

Reference: General Plan; prior Council actions regarding formation of a CFD

Fiscal

Impact: As proposed, none; without a fee, the City would be subsidizing the process

Options:

- a. Adopt the Resolution No. 05-xx establishing a Community Facility District processing fee.
- b. Amend, modify or reject the foregoing option.

RESOLUTION NO. 05-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
ESTABLISHING AND ADOPTING A SCHEDULE OF FEES
FOR ANNEXATION TO A COMMUNITY FACILITIES DISTRICT

WHEREAS, the General Plan of the City of Paso Robles focuses on the need for new residential development to be fiscally neutral with regards to impacts on City services and facilities and it is the policy of the City of Paso Robles to require new development to “pay its own way,” avoiding the placement of a financial burden on the population in general to allow new development to occur; and

WHEREAS, the City Council has taken steps to establish a Community Facilities District as a step toward insuring that the costs of providing services to new residential development are paid for by the new residents; and

WHEREAS, the process of annexing properties to the proposed Community Facilities District will impose a financial burden on the City unless the City establishes an appropriate processing fee; and

WHEREAS, the City’s consultant on formation of the Community Facilities District for City Services, David Taussig & Associates, has recommended that in order to recover its out-of-pocket costs the City should charge each project that is proposed to be annexed to the Community Facilities District a one-time fee of \$350 for the first lot or dwelling unit, and \$150 for every additional lot or dwelling unit thereafter.

NOW, THEREFORE, BE IT FOUND, DETERMINED AND RESOLVED by the City Council of the City of Paso Robles that:

1. The City shall collect processing fees for new residential developments that are to be annexed to the City’s Community Facilities District for City services and such fees shall be paid prior to approval of a final subdivision map or issuance of a Building Permit for projects that do not have a subdivision map.
2. The amount of the one-time processing fee for each project proposed for annexation to the Community Facilities District shall be \$350 for the first lot or dwelling unit, and \$150 for every additional lot or dwelling unit thereafter.
3. The City Council shall review the processing fee for annexation to a Community Facilities District in conjunction with updating the City’s Fiscal Impact Analysis Model and periodic review of the per dwelling unit amount to be charged within the Community Facilities District.

PASSED AND ADOPTED THIS 15th day of March, 2005 by the following roll call vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Frank R. Mecham, Mayor

ATTEST:

Sharilyn M. Ryan, Deputy City Clerk