

TO: James L. App, City Manger

FROM: Ronald Whisenand, Director of Community Development

SUBJECT: Amendment of Future Annexation of Territory into Community Facilities District No. 2005-1 (Public Services)

DATE: April 18, 2006

Needs: That the City Council consider adopting a "Resolution to Provide for Future Annexation of certain Property (City Annexations 86, 87, and 88 Olsen, Beechwood and Our Town) into the Community Facilities District No. 2005-1 in order to finance the costs of public infrastructure necessary or incidental to development of the Property.

Facts:

1. The City of Paso Robles has conducted proceedings pursuant to the "Mello-Roos Community Facilities Act of 1982", (Government Code Section 53311 and following) (the "Act") to form a community facilities district known and designated as COMMUNITY FACILITIES DISTRICT NO. 2005-1 (PUBLIC SERVICES) (the "District") to finance the increased demand for public services (the "Services") resulting from new development within the District. The services to be financed by the CFD comprise services ("Services") authorized to be financed pursuant to Section 53313 and 53313.5 of the Government Code. CFD 2005-01 shall finance Services only to the extent they are in addition to those provided in the territory of CFD 2005-01 before the CFD was created and such Services may not supplant services already available within CFD 2005-01 when the CFD was created.
2. The City has also undertaken proceedings pursuant to Article 3.5 of the Act to provide for the future annexation of the Property to the District. On March 7, 2006, the City held a public hearing as required by the Act, to consider a resolution of intention to provide for the future annexation of the Property, to the District. Notice of such hearing was given in the form and manner as required by law. At the conclusion of such public hearing, the legislative body of the City did approve a resolution of intention.
3. The proposed resolution establishes the procedure for the formal annexation of the Property to CFD 2005-01. It authorizes the City to annex to CFD 2005-1 properties which will be assessed only for eligible public services, without further public hearings or formal elections upon receipt of unanimous written consent from the owners of the Property, or parcels within the Property, being annexed.
4. The adoption of the resolutions will streamline and expedite the annexation process into the District by shortening the timeline for certain actions by the City Council.

**Analysis
and**

Conclusion: Annexation to the City's CFD 2005-1 is necessary to mitigate projected adverse fiscal impacts of new residential development.

In order to apply Community Facilities District No. 2005-1 to areas newly annexed to the City it is necessary to amend the map of CFD No. 2005-1 to include the Property as a Future Annexation Area.

Policy

Reference: General Plan

Fiscal

Impact: With annexation to the CFD, none. The future annexation of territory into the District will have a beneficial impact to the City's budget in that, upon implementation of the proposed financing district, it would assist in the funding of police and fire services that would otherwise come from the City's general fund.

- Options:**
- a. Adopt Resolution No. 06-xxx, providing for future annexation to CFD 2005-01 of Future Annexation Area 2 to the CFD.
 - b. Amend, modify or reject the above option.

Attachments: (1)

1. Resolution to Provide for Future Annexation of Territory with Exhibits A-D.

RESOLUTION No. 06-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES
TO PROVIDE FOR THE FUTURE ANNEXATION OF TERRITORY
TO COMMUNITY FACILITIES DISTRICT
[CFD No. 2005-1 - PUBLIC SERVICES]

WHEREAS, in accordance with the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing at Section 53311, of the California Government Code, Community Facilities District No. 2005-01 (Public Services District) (the "CFD") was created by City of the City of Paso Robles Resolution No. 05-063 on April 5, 2005. The boundaries of the CFD are as shown on the map on file with the City Clerk, recorded as Document No. 2005-016016 in Book 5 of Maps of Assessment and Community Facilities Districts at pages 7 and 8 of the County Recorder of San Luis Obispo County, and depicted on Exhibit A, attached hereto and incorporated by reference; and

WHEREAS, in accordance with the proceedings pursuant to Article 3.5 of the Act, the City also has provided for the future annexation of certain territory to the CFD. The boundaries of the Future Annexation Area are as shown on the map on file with the City Clerk, recorded as Document No. 2005-016017 in Book 5 of Maps of Assessment and Community Facilities Districts at pages 9 and 10 of the County Recorder of San Luis Obispo County, and depicted on Exhibit B, attached hereto and incorporated by reference; and

WHEREAS, the type of services currently financed by the CFD and pursuant to the Act consist of those items listed in the Description of Services Financed by the Community Facilities District on Exhibit C hereto and hereby incorporated herein; and

WHEREAS, under the Act, this Council is authorized to annex territory to an existing community facilities district and to act as the legislative body for such community facilities district; and

WHEREAS, the City Council of the City of El Paso Robles ("City"), has determined that public convenience and necessity require that territory be added to the existing CFD and may adopt a resolution to provide for the future annexation of such territory (the "Future Annexation Area 2") to the CFD pursuant to the Act, for the purposes of paying the costs of services to be provided by the City for the additional services authorized to be financed pursuant to Sections 53313 and 53313.5 of the California Government Code, upon the unanimous approval of the owner or owners of each parcel or parcels at the time that the parcel or parcels are annexed, without additional hearings; and

WHEREAS, the City desires to adopt a resolution to provide for the future annexation of the Future Annexation Area 2 to CFD No. 2005-01 in order to finance the costs of public infrastructure necessary or incidental to development of the Future Annexation Area 2; and

WHEREAS, pursuant to the procedures set forth in Government Code section 53339 *et seq.*, the City Council held a noticed public hearing on March 7, 2006 after which it adopted a resolution of intention to provide for the future annexation of Future Annexation Area 2;

NOW, THEREFORE, BE IT RESOLVED, as follows:

Section 1. Authority. The Council desires to provide for the future annexation of Future Annexation Area 2 to CFD No. 2005-01 in order to finance the cost of services to be provided by the City. The boundaries of Future Annexation Area 2 are as shown on the map on file with the City Clerk and attached hereto as Exhibit D and incorporated by references. The City Clerk is hereby directed to record, or cause to be recorded, said map of the boundaries of the Future Annexation Area 2 in the office of the County Recorder of San Luis Obispo County within fifteen days of the date of adoption of this Resolution.

Section 2. Services. The type of services proposed to be provided to the Future Annexation Area 2 and pursuant to the Act shall consist of those items listed in the Description of Services Financed by the Community Facilities District on Exhibit C hereto and hereby incorporated herein.

Section 3. Annexation Upon Unanimous Consent. The annexation of any parcel or parcels within Future Annexation Area 2 to CFD 2005-01 shall occur upon the unanimous approval of the owner or owners or each parcel or parcels within Future Annexation Area 1 at the time that the parcel or parcels are annexed, without additional hearings.

Section 4. Special Tax. A special tax (the "Special Tax") sufficient to pay the costs of the Services provided to the Future Annexation Area 2, secured by recordation of a continuing lien against all nonexempt real property in the Annexation, will be levied annually within the Future Annexation Area 2, and collected in the same manner as ordinary *ad valorem* property taxes, or in such other manner as this Council or its designee shall determine, including direct billing of the affected property owners. The proposed rate and method of apportionment of the Special Tax among the parcels of real property within Future Annexation Area 2 shall be equal to any special tax levied to pay for the same services in the existing district, except that a higher or lower tax may be levied within the Future Annexation Area 2 to the extent that the actual cost of providing the services in that Future Annexation Area 2 is higher or lower than the cost of providing those services in the existing district.

Section 5. No Alteration of Special Tax Rate Within Existing CFD. As a result of the proposed Future Annexation Area 2, the special tax rate levied within the existing community facilities district will not be altered or increased.

Section 6. Exempt Property. Except as may otherwise be provided by law or by the rate and method of apportionment of the Special Tax for the Future Annexation Area 2, all lands owned by any public entity, including the United States, the State of California and the City, or any departments or political subdivisions thereof, shall be omitted from the levy of the Special Tax. In the event that a portion of the property within the Future Annexation

Area 2 shall become for any reason exempt, wholly or in part, from the levy of the Special Tax, this Council will, on behalf of the Future Annexation Area 2, increase the levy to the extent necessary upon the remaining property within the Future Annexation Area 2 which is not exempt in order to yield the required debt service payments and other annual expenses of the Future Annexation Area 2, if any, subject to the provisions of the rate and method of apportionment of the Special Tax.

ADOPTED by the City Council of the City of El Paso de Robles at a regular meeting of said Council held on the 18th day of April, 2006, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Frank R. Mecham, Mayor


ATTEST:

Cathy M. David, Deputy City Clerk

**PROPOSED BOUNDARIES OF
CITY OF PASO ROBLES
COMMUNITY FACILITIES DISTRICT NO. 2005-1
(PUBLIC SERVICES)
COUNTY OF SAN LUIS OBISPO
STATE OF CALIFORNIA**

ASHWOOD PL.

LEGEND

 Proposed Boundaries of City of Paso Robles Community Facilities District No. 2005-1, San Luis Obispo County, California

Reference is hereby made to the Assessor maps of the County of San Luis Obispo for a description of the lines and dimensions of this parcel.



BEECHWOOD DRIVE

ORIOLE WAY

COOL VALLEY RD.

APN: 009-750-001

MEADOWLARK ROAD

Exhibit "A"

**FUTURE ANNEXATION AREA OF
CITY OF PASO ROBLES
COMMUNITY FACILITIES DISTRICT NO. 2005-1
(PUBLIC SERVICES)
COUNTY OF SAN LUIS OBISPO
STATE OF CALIFORNIA**

LEGEND

	Future Annexation Area of City of Paso Robles Community Facilities District No. 2005-1, San Luis Obispo County, California
	Waterway

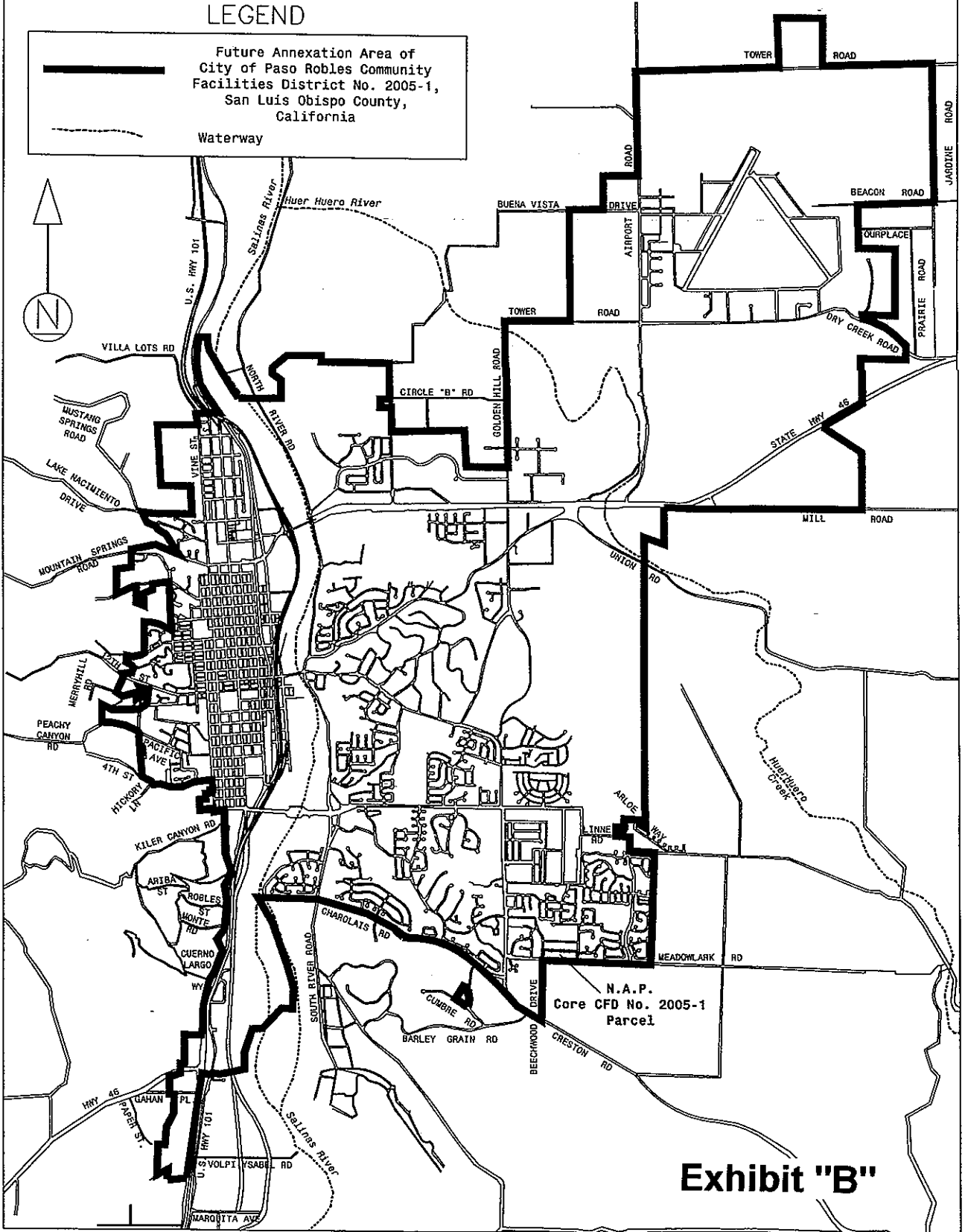


Exhibit "B"

Exhibit C

DESCRIPTION OF SERVICES

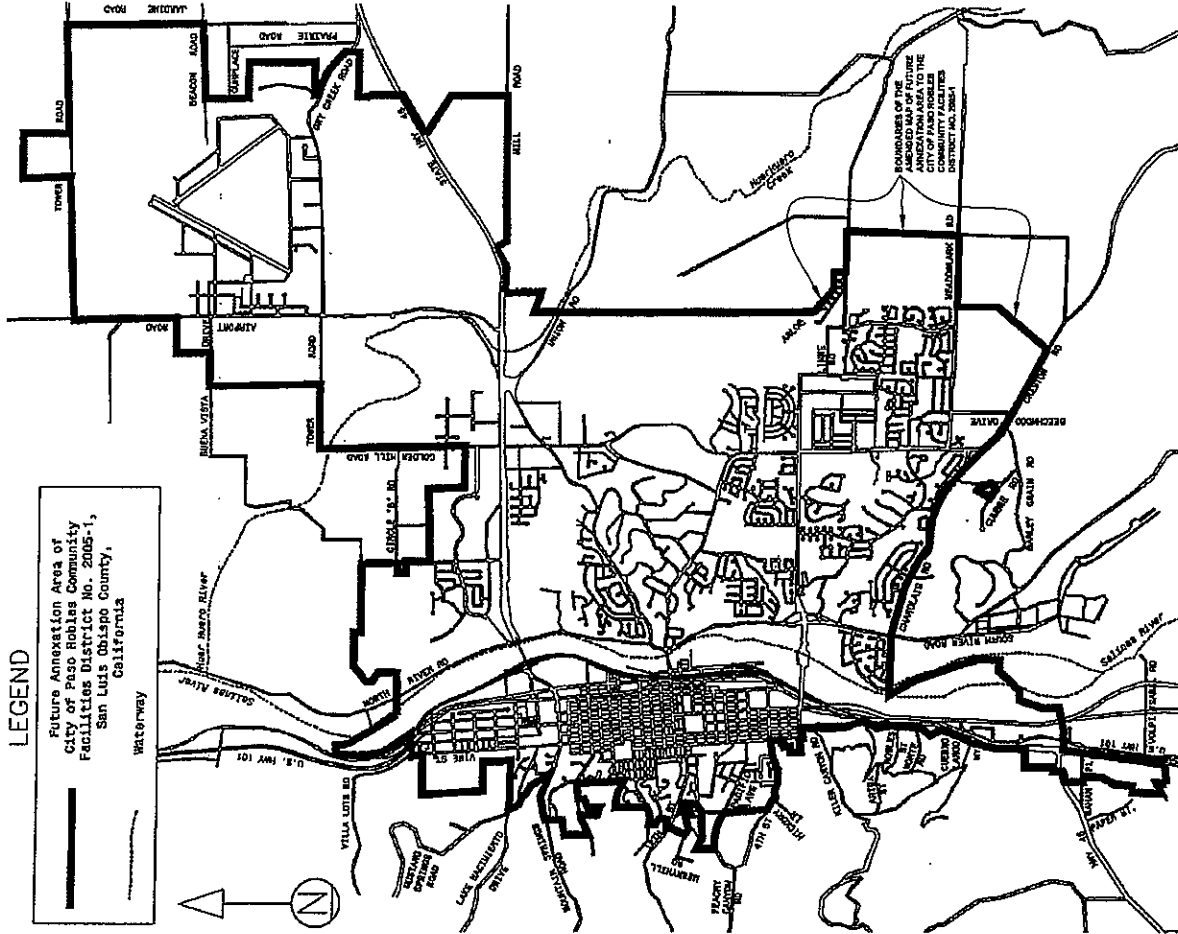
A community facilities district may finance any one or more of the following types of services: police protection services; fire protection and suppression services; ambulance and paramedic services; recreation program services, library services, maintenance services for elementary and secondary school sites and structures, operation and maintenance of museums and cultural facilities; maintenance of parks, parkways (including street lights), and open space; flood and storm protection services, including the operation and maintenance of storm drainage systems and sandstorm protection systems; services with respect to the removal or remedial action cleanup of hazardous substances. The authorized services may be financed only to the extent that such services are in addition to those services provided in the community facilities district prior to creation of the community facilities district. All of these public services are authorized by CFD No. 2005-1.

CFD No. 2005-1 shall only finance the above listed services only to the extent that they are in addition to existing public services provided within the boundaries of CFD No. 2005-1 before creation of the district and such authorized services may not supplant services already available within CFD No. 2005-1 at creation of said CFD. The Special Taxes required to finance the related annual costs of those public services will be apportioned as described in the Rate and Method of Apportionment of the Special Tax for CFD No. 2005-1.

LEGEND

Future Annexation Area of
City of Paso Robles Community
Facilities District No. 2005-1,
San Luis Obispo County,
California

Waterway



AMENDED MAP OF
FUTURE ANNEXATION AREA OF
CITY OF PASO ROBLES
COMMUNITY FACILITIES DISTRICT NO. 2005-1
(PUBLIC SERVICES)
COUNTY OF SAN LUIS OBISPO
STATE OF CALIFORNIA

THE BOUNDARY OF THE FUTURE ANNEXATION AREA TO COMMUNITY FACILITIES DISTRICT NO. 2005-1 IS CO-TERMINOUS WITH THE BOUNDARY OF THE CITY OF PASO ROBLES IN 2005.

REFERENCE IS HEREBY MADE TO THAT CERTAIN MAP ENTITLED "FUTURE ANNEXATION AREA OF PASO ROBLES COMMUNITY FACILITIES DISTRICT NO. 2005-1, COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA", FILED THE 1ST DAY OF MARCH, 2005, AT THE HOUR OF 1:59 O'CLOCK P.M. IN BOOK 5 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICT AT PAGES 9-10, AND AS INSTRUMENT NUMBER 2005-0716017 IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, WHICH THIS ANNEXATION MAP AFFECTS.

REFERENCE IS HEREBY MADE TO THE ASSESSOR MAPS OF THE COUNTY OF SAN LUIS OBISPO FOR AN EXACT DESCRIPTION OF THE LINES AND DIMENSIONS OF EACH LOT AND PARCEL.

1) FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF PASO ROBLES THIS _____ DAY OF _____, 2006.

DENNIS FANSLER, PASO ROBLES CITY CLERK

2) I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING THE BOUNDARIES OF THE FUTURE ANNEXATION AREA TO CITY OF PASO ROBLES COMMUNITY FACILITIES DISTRICT NO. 2005-1, SAN LUIS OBISPO, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF, HELD ON THIS _____ DAY OF _____, 2006, BY ITS RESOLUTION NO. _____.

DENNIS FANSLER, PASO ROBLES CITY CLERK

3) FILED THIS _____ DAY OF _____, 2006, AT THE HOUR OF _____ O'CLOCK _____ M. IN BOOK _____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE _____ AND AS INSTRUMENT NO. _____ IN THE OFFICE OF THE COUNTY RECORDER OF SAN LUIS OBISPO COUNTY, STATE OF CALIFORNIA.

FEE _____

COUNTY RECORDER OF SAN LUIS OBISPO COUNTY