



Legislation Details (With Text)

**File #:** 19-360      **Version:** 1      **Name:**

**Type:** Consent Item      **Status:** Passed

**File created:** 6/21/2019      **In control:** City Council/Public Finance and Economic Development Authority/Parking Authority

**On agenda:** 8/5/2019      **Final action:** 8/5/2019

**Title:** SUBJECT: Acceptance of a Petitions to Annex into Community Facilities District (CFD) No. 2003-2 (Services) and Approval of Deposit and Reimbursement Agreements for the Costs of Annexing into the CFD for the Merced Gateway Shopping Center (Merced Gateway Marketplace) and the PG&E Service Center

REPORT IN BRIEF

Considers accepting the petition to annex into CFD No. 2003-2 (Services) from Gateway Park Development Partners, LLC, and PG&E and approve a deposit and reimbursement agreement for the costs of annexing into the CFD for the Merced Gateway Shopping Center (Merced Gateway Marketplace) and the PG&E Service Center.

RECOMMENDATION

City Council - Adopt a motion:

A. Accepting the petition for annexation from Gateway Park Development Partners, LLC and PG&E for annexation into Community Facilities District (CFD) No. 2003-2 (Services); and,

B. Approving the deposit and reimbursement agreements, increasing revenue account in the amount of \$50,000 and appropriating the same in Fund 150 to reimburse the City for the cost of Community Facilities District formation and related expenditures; and,

C. Authorizing the City Manager or the Assistant City Manager to execute the Agreements.

Sponsors:

Indexes:

Code sections:

**Attachments:** 1. Petitions to Annexation, 2. Deposit and Reimbursement Agreements, 3. Location Map for Merced Gateway Marketplace, 4. Location Map for PG&E Service Center

Date	Ver.	Action By	Action	Result
8/5/2019	1	City Council/Public Finance and Economic Development Authority/Parking Authority	approved	Pass

*Report Prepared by: Julie Nelson, Associate Planner, Development Services*

**SUBJECT:** Acceptance of a Petitions to Annex into Community Facilities District (CFD) No. 2003-2 (Services) and Approval of Deposit and Reimbursement Agreements for the Costs of Annexing into the CFD for the Merced Gateway Shopping Center (Merced Gateway Marketplace) and the PG&E Service Center

REPORT IN BRIEF

Considers accepting the petition to annex into CFD No. 2003-2 (Services) from Gateway Park

Development Partners, LLC, and PG&E and approve a deposit and reimbursement agreement for the costs of annexing into the CFD for the Merced Gateway Shopping Center (Merced Gateway Marketplace) and the PG&E Service Center.

## RECOMMENDATION

**City Council** - Adopt a motion:

- A. Accepting the petition for annexation from Gateway Park Development Partners, LLC and PG&E for annexation into Community Facilities District (CFD) No. 2003-2 (Services); and,
- B. Approving the deposit and reimbursement agreements, increasing revenue account in the amount of \$50,000 and appropriating the same in Fund 150 to reimburse the City for the cost of Community Facilities District formation and related expenditures; and,
- C. Authorizing the City Manager or the Assistant City Manager to execute the Agreements.

## ALTERNATIVES

1. Approve the action as recommended by staff; or,
2. Request modification or amendment to the documents and provide direction to City staff regarding the same;
3. Decline to authorize action as recommended; or
4. Continue to a future City Council meeting (time and date to be specified in motion).

## AUTHORITY

Annexation of property into the City's existing CFD (Services) pursuant to Merced City Charter Section 200, Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of California Government Code (the "Act"), commonly known as the "Mello-Roos Community Facilities Act of 1982" and the City's Policy on new development.

## DISCUSSION

The City has a longstanding policy requiring all new development with the City to annex to a community facilities district pursuant to the Mello Roos Community Facilities Act of 1982, for the provision of certain services to new development. The services to be provided may include all or a portion of the following: police and fire protection services, maintenance of parks, landscaping, parkways, open space and storm drain maintenance, and other services authorized or to be authorized by the City's Municipal Code. The formation or annexation to the community facilities district is a condition of approval for new developments.

The owners of the Merced Gateway Shopping Center Project (Gateway Park Development Partners, LLC) and PG&E have requested such proceedings be initiated (see Petitions to Annex at Attachment 1) and have signed a Deposit and Reimbursement Agreement to cover the costs of the annexation process (Attachment 2). The Merced Gateway Shopping Center (now known as the Merced Gateway Marketplace Center) (Attachment 3) is generally located at Campus Parkway and Coffee Street. The new Service Center for PG&E is generally located at the northeast corner of Kibby Road and Childs Avenue (Attachment 4). The City Council is being asked to accept the Petition to Annex from Gateway Park Development Partners, LLC, and PG&E and to approve the Deposit and Reimbursement Agreement with the same, and to authorize the City Manager or Assistant City Manager to execute the Agreement. The owners have submitted a deposit of \$25,000 each to cover

the costs of the annexation process. City Council is also being asked to appropriate those funds in Fund 150.

At a future City Council meeting, the Council will be asked to adopt a Resolution of Intent to initiate the annexation process and set a date for the public hearing and election to annex into the CFD.

### **IMPACT ON CITY RESOURCES**

The annexation of these properties into CFD No. 2003-2 (Services) would allow a special tax to be levied on these properties to cover a portion of the costs for Police and Fire protection services and to cover the costs of landscape and storm drain maintenance of the project area.

### **ATTACHMENTS**

1. Petitions to Annexation
2. Deposit and Reimbursement Agreements
3. Location Map for Merced Gateway Marketplace
4. Location Map for PG&E Service Center