



Legislation Text

File #: 17-387, **Version:** 1

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SUBJECT: Petition to Annex into Community Facilities District (CFD) No. 2003-2 (Services) and Approval of a Deposit and Reimbursement Agreement to Cover the Costs of the Annexation for the University Village Merced - Lake Project

REPORT IN BRIEF

Accept Petition to annex into Community Facilities District (CFD) No. 2003-2 (Services) from Fagundes Dairy and CBCP Assets, LLC and approve a Deposit and Reimbursement Agreement to cover the costs of annexing into CFD No. 2003 for a property located on the south side of Yosemite Avenue at Lake Road (University Village Merced - Lake).

RECOMMENDATION

City Council - Adopt a motion:

- A. Approving **Resolution 2017-42**, a Resolution of the City Council of the City of Merced, California, approving the Deposit and Reimbursement Agreement for Commercial Development between the City of Merced and University Village Merced, LLC, Fagundes Dairy, a General Partnership, and CBCP Assets, LLC; and,
- B. Accepting the Petitions for the Initiation of Proceedings for Establishment of a Community Facilities District from Fagundes Dairy, a General Partnership and CBCP Assets, LLC; and,
- C. Appropriate the funds from the deposit to Fund 150 to reimburse the City for Community Facilities District formation and related expenditures.

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; or
- 3. Decline to authorize the action; 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 No. 2003-2 (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 approved a policy requiring all new development within 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 such new developments. The owners and developer of the project known as University Village Merced - Lake (Attachment 1) have requested such proceedings be initiated (see Petitions at Attachment 2) and have signed a Deposit and Reimbursement Agreement (Attachment 3) to cover the costs of the annexation process. This is the first step in the annexation process.

City Council is being asked to adopt the Resolution at Attachment 4, which authorizes the City Manager or Assistant City Manager to execute the agreement and to accept the petitions requesting to annex into Community Facilities District 2003-2 (Services). The developer has submitted a deposit of \$25,000 to cover the costs of the annexation process. City Council is also being asked to appropriate those funds to Fund 150. Once this is done, staff will initiate the process with the City's CFD consultants to prepare the necessary documents to complete the annexation process. At a future meeting, the City Council will be asked to adopt a Resolution of Intent and set a public hearing for the election for annexation into CFD No. 2003-2 (Services).

IMPACT ON CITY RESOURCES

There are no impacts to City services as a result of this action.

ATTACHMENTS

1. Location Map
2. Petition to Initiate Proceedings to Annex
3. Deposit and Reimbursement Agreement
4. Draft City Council Resolution