



Legislation Text

File #: 20-108, **Version:** 1

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SUBJECT: Acceptance of a Petition to Annex into Community Facilities District (CFD) No. 2003-2 (Services) and Approval of a Deposit and Reimbursement Agreement with 59 Petroleum, LLC

REPORT IN BRIEF

Considers accepting the petition to annex into CFD No. 2003-2 (Services) from 59 Petroleum, LLC, and approve a deposit and reimbursement agreement for the costs of annexing into the CFD for the commercial development generally located at the northwest corner of North Hwy 59 and Santa Fe Drive.

RECOMMENDATION

City Council - Adopt a motion:

- A. Accepting the petition to annex from 59 Petroleum, LLC, for annexation into Community Facilities District (CFD) No. 2003-2 (Services); and,
- B. Approving the deposit and reimbursement agreement, increasing revenue account in the amount of \$25,000 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 5331) 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 within the City to annex to a

Community Facilities District (CFD) pursuant to the Mellow 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.

59 Petroleum, LLC will be constructing a new commercial development, including a convenience market, gas station, and car wash at the northwest corner of Hwy 59 and Santa Fe Drive (Attachments 1 and 2). The City Council is being asked to accept the Petition to Annex (Attachment 3) and to approve the Deposit and Reimbursement Agreement (Attachment 4). Additionally, the City Council is being asked to authorize the City Manager or Assistant City Manager to execute the Agreement. 59 Petroleum, LLC has submitted a deposit of \$25,000 to cover the costs of the annexation process. The Deposit and Reimbursement Agreement (Attachment 4) would authorize the City to request additional funds as needed to complete the annexation process. The City Council is also being asked to appropriate those funds to 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. Location Map
2. Site Plan
3. Petition to Annex
4. Deposit and Reimbursement Agreement