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Title: HEARING to adopt Resolutions and Ordinance to Consider the Formation of a Special Tax District (Community Facilities District No. 15 - East Copper River Ranch Maintenance District) and to Authorize Levy of a Special Tax (Eastern portion of the Copper River Ranch Development located northwest of North Willow and East Copper Avenues) (Council District 6)

1. RESOLUTION - of Formation of Community Facilities District No. 15, Authorizing the Levy of a Special Tax, and Preliminarily Establishing an Appropriations Limit
2. RESOLUTION - Calling Special Mailed-Ballot Election
3. RESOLUTION - Declaring Election Results
4. BILL - (For introduction and adoption) - Levying a Special Tax for the Property Tax Year 2015-2016 and Future Tax Years Within and Relating to Community Facilities District No. 15 - East Copper River Ranch Maintenance District

Sponsors: Public Works Department

Indexes:

Code sections:

Attachments: 1. CFD No. 15 Location map.pdf, 2. CFD No. 15 HRG Formation Reso.pdf, 3. CFD No. 15 HRG Exhibit A1.1 Features Map.pdf, 4. CFD No. 15 HRG Exhibit A1.2 X-Sect Details-Section.pdf, 5. CFD No. 15 HRG Exhibit A1.3 X-Sect Details-Section.pdf, 6. CFD No. 15 HRG Exhibit A1.4 X-Sect Details-Section.pdf, 7. CFD No. 15 HRG Exhibit A1.5 X-Sect Details-Section.pdf, 8. CFD No. 15 HRG Exhibit B Incidental Expenses.pdf, 9. CFD No. 15 HRG Exhibit C RMA.pdf, 10. CFD No. 15 HRG Exhibit C.1 Land Use Map.pdf, 11. CFD No. 15 HRG CallingElection Reso.pdf, 12. CFD No. 15 HRG DeclaringResults Reso.pdf, 13. CFD No. 15 HRG Ordinance.pdf

Date	Ver.	Action By	Action	Result
12/3/2015	1	City Council	approved	Pass

REPORT TO THE CITY COUNCIL

December 3, 2015

FROM: SCOTT L. MOZIER, PE, Director
Public Works Department

THROUGH: ANDREW J. BENELLI, PE, City Engineer/Assistant Director
Public Works Department, Traffic and Engineering Services Division

BY: ANN LILLIE, Senior Engineering Technician
Public Works Department, Traffic and Engineering Services Division

SUBJECT

HEARING to adopt Resolutions and Ordinance to Consider the Formation of a Special Tax District (Community Facilities District No. 15 - East Copper River Ranch Maintenance District) and to Authorize Levy of a Special Tax (Eastern portion of the Copper River Ranch Development located northwest of North Willow and East Copper Avenues) (Council District 6)

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RECOMMENDATIONS

1. Adopt Resolution Formation to Establish Community Facilities District No. 15 and Authorizing the Levy of a Special Tax
2. Adopt Resolution Calling Special Mailed-Ballot Election
3. Adopt Resolution Declaring Election Results
4. Adopt Ordinance Levying a Special Tax for the Property Tax Year 2015-2016 and Future Tax Years Within and Relating to Community Facilities District No. 15 - East Copper River Ranch Maintenance District

EXECUTIVE SUMMARY

On October 29, 2015, the Council of the City of Fresno ("Council") adopted Resolution No. 2015-195 to form Community Facilities District No. 15 - East Copper River Ranch Maintenance District ("CFD No. 15") at the request of the Owners/Developers ("Owners") of the real properties within the boundaries of CFD No. 15. This is the noticed public hearing to consider forming CFD No. 15 to enable the Owners to finance the operation and reserves for maintenance ("Services") of certain required above ground public improvements as listed in Exhibit B of Resolution No. 2015-195. The total estimated annual expense for one-year of Services provided by CFD No. 15, commencing with Fiscal Year 2015-2016, is \$1,141,518.97. If approved, the recommended resolutions and ordinance will levy a Special Tax on the properties within the boundaries of CFD No. 15 for maintenance Services. (See attached location map)

BACKGROUND

On October 29, 2015, the Council of the City of Fresno ("Council") adopted Resolution No. 2015-195 to form Community Facilities District No. 15 - East Copper River Ranch Maintenance District ("CFD No. 15") at the request of the Owners/Developers ("Owners") of the real properties within the boundaries of CFD No. 15. This request comes from the Owner's need to meet the City's requirement to maintain certain above ground public improvements, including, without limitation, landscaping, trees and irrigation systems within trails, open spaces and parks, landscaped buffers, parkways and medians; local street paving, local street lights, street name signage, street furniture, curbs, gutters, sidewalks, curb ramps and other public facilities and services as defined by the City of Fresno Special Tax Financing Law, Chapter 8, Division 1, Article 3 of the Fresno

Municipal Code (“City Law”). (See attached location map.)

Resolution No. 2015-195 also directed the preparation of an Engineer’s Report describing the Services and the costs of those services and this report is on file with the City Clerk.

The maintenance services are expected to cost approximately \$1,141,519 annually when all maintained features have been completed. The basis of this cost was reached through the services of Quad Knopf Inc. who determined the scope and verified the base rates and costs for the maintenance of this project.

It is proposed that the District will carry a reserve fund equal to the annual cost. The maintenance agreement requires the Owner to post a performance bond for one half of the annual cost (\$570,759.50) for the length of time necessary to fully fund the reserve account with District proceeds. Staff estimates that it will take two to three years following District formation to fully fund the reserve account.

The City will receive up to 5% of District proceeds as administration costs dictate and the balance of the proceeds will be passed on to the service providers through the Owners. Any costs above the amount of District proceeds are the Owner’s responsibility. After 30 years, if the City becomes responsible for the maintenance services, the City shall provide the best possible services with District Funds available.

The attached resolution forms CFD No. 15 under the City of Fresno Special Tax Financing Law, Chapter 8, Division 1, Article 3 of the Fresno Municipal Code, with the district boundary, the services to be provided and the rate and method of the tax levy as defined by the Resolution of Intention. The Resolution of Intention also directed preparation of an Engineer’s Report describing the services and the cost of those services and this report is on file with the City Clerk.

If adopted by the Council, the attached ordinance would approve the levy of the proposed Maximum Special Tax listed in the Rate and Method of Apportionment of the Special Tax for FY15-16 (Exhibit C of the Formation Resolution). The Maximum Special Tax may be adjusted annually, at the discretion of the City, to the Special Tax at +3% plus the increase, if any, in the construction cost index for the San Francisco Region.

The levy of the special tax is subject to approval by the qualified electors through a special election. Two additional resolutions are attached for Council consideration pertaining to this special election.

Today’s public hearing has been duly noticed and the attached ordinance and resolutions have been approved as to form by the City Attorney’s Office.

ENVIRONMENTAL FINDINGS

By the definition provided in the California Environmental Quality Act Guidelines Section 15378 this hearing does not qualify as a “project” and is therefore exempt from the California Environmental Quality Act requirements.

LOCAL PREFERENCE

Local preference was not considered because this hearing does not include a bid or award of a construction or services contract.

FISCAL IMPACT

No City funds will be involved. All costs for services will be borne by the property owners within the subject tract.

Attachments:

Location Map

Resolutions (3)

Ordinance