



## Agenda Report

19-467

Agenda Date: 4/23/2019

### REPORT TO COUNCIL

#### **SUBJECT**

Action on Adoption of Ordinance No. 1999 Levying Special Taxes within the City of Santa Clara Community Facilities District 2019-1 (Lawrence Station)

#### **BACKGROUND**

At the April 9, 2019 Council meeting, proposed Ordinance No. 1999 was passed for the purpose of publication. Pursuant to City Charter Sections 808 and 812, proposed Ordinance No. 1999 was published on April 17, 2019, and copies were posted in three public places.

#### **DISCUSSION**

On March 5, 2019, the Council adopted a Resolution of Intention (No. 19-8674) to form Community Facilities District ("CFD") 2019-1 (Lawrence Station) and Future Annexation Area to finance certain public services. These services primarily include maintenance of roadways, parks, parking spaces and enforcement, landscaped parkways and medians, trails, a highway overpass, and a community clubhouse and garden to be located within the development.

On April 9, 2019, the Council adopted a Resolution of Formation to establish the CFD (No. 19-8691), conducted a special election on the formation of the CFD, and upon receiving unanimous votes in favor of the formation from the affected property owners, adopted a resolution (No. 19-8693) confirming the results and directing the recording a notice of special tax lien. The Council then introduced the attached ordinance No. 1999, to authorize and annually levy the special taxes on properties within the CFD, at the rates and in accordance with the formula set forth in the Resolution of Formation.

#### **ENVIRONMENTAL REVIEW**

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(b)(4) in that it is a fiscal activity that does not involve commitment to a specific project which may result in potential significant impact on the environment. For the underlying project, the Lawrence Station Area Plan, the City Council approved and certified an Environmental Impact Report (EIR) on November 29, 2016, and the EIR contemplated the formation of this CFD.

#### **FISCAL IMPACT**

By adoption of the proposed Ordinance, the Council will authorize and levy special taxes within the CFD (including any parcel or parcels in the Future Annexation Area that annex into the CFD) pursuant to the Act, at the rates and in accordance with the formula (the "Rate and Method") set forth in the Resolution of Formation. The special taxes are intended to mitigate the impact of the new development and will offset maintenance costs that otherwise would have been borne by the General Fund. The CFD's annual special tax revenues will range from a low of \$344,374 in 2019/20 to

\$811,540 in the 30<sup>th</sup> year of the tax levy, assuming an average annual increase in the CPI of 3% per year. An initial appropriation amount of approximately \$344,374 (or 100%) is expected to be allocated as follows: \$2,988 (or 0.8677%) for roadways, \$83,551 (or 24.2636%) for parks, \$3,207 (or 0.9313%) for parking space maintenance, \$26,875 (or 7.8046%) for landscaped parkways/medians, \$72,900 (or 21.1705%) for facilities, \$84,193 (or 24.4500%) for parking enforcement, and \$70,660 (or 20.5199%) for reserves and administration. If approved, the revenues and expenditures for this CFD will be included in the Fiscal Year 2019/20 and 2020/21 Biennial Operating Budget, and thereafter in subsequent City budgets as updated. While the levy in the Future Annexation Area will be proportional and in accord with the formula, the actual amounts are unknown at this time.

### **COORDINATION**

This report has been coordinated with the Parks & Recreation Department and the Finance Department.

### **PUBLIC CONTACT**

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email [clerk@santaclaraca.gov](mailto:clerk@santaclaraca.gov) <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

### **RECOMMENDATION**

Adopt Ordinance No. 1999 Levying Special Taxes within the City of Santa Clara Community Facilities District 2019-1 (Lawrence Station).

Reviewed by: Brian Doyle, City Attorney

Approved by: Deanna J. Santana, City Manager

### **ATTACHMENTS**

1. Ordinance