

**TO:** James L. App, City Manger

**FROM:** John Falkenstien, Interim Director of Community Development

**SUBJECT:** Amendment of Future Annexation of Territory into Community Facilities District No. 2005-1 (Public Services)

**DATE:** March 7, 2006

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**Needs:** That the City Council consider adopting a "Resolution of Intention" to provide for the Future Annexation Area 2 (City Annexations 86, 87, and 88 Olsen, Beechwood and Our Town) into the Community Facilities District No. 2005-1 in order to finance the costs of public services necessary or incidental to development of the Future Annexation Area 2.

**Facts:**

1. The City of Paso Robles has conducted proceedings pursuant to the "Mello-Roos Community Facilities Act of 1982", (Government Code Section 53311 and following) (the "Act") to form a community facilities district known and designated as COMMUNITY FACILITIES DISTRICT NO. 2005-1 (PUBLIC SERVICES) (the "District") to finance the increased demand for public services (the "Services") resulting from new development within the District. The services to be financed by the CFD comprise services ("Services") authorized to be financed pursuant to Section 53313 and 53313.5 of the Government Code. CFD 2005-01 shall finance Services only to the extent they are in addition to those provided in the territory of CFD 2005-01 before the CFD was created and such Services may not supplant services already available within CFD 2005-01 when the CFD was created.
2. The City has also undertaken proceedings pursuant to Article 3.5 of the Act to provide for the future annexation of certain territory, including the Property, to the District. On April 5, 2005, the City held a public hearing as required by the Act, to consider the future annexation of such territory, including the Property, to the District. Notice of such hearing was given in the form and manner as required by law. At the conclusion of such public hearing, the legislative body of the City did approve and provide for the annexation in the future upon the unanimous approval of the owner or owners of each parcel or parcels at the time that such parcel or parcels are annexed, without additional hearings.
3. Resolution No. 05-063 adopted by City Council on April 5, 2005, authorizes the City to annex to CFD 2005-1, properties which will be assessed only for eligible public services, without further public hearings or formal elections upon receipt of written consent from the owners.

4. The adoption of the resolutions will streamline and expedite the annexation process into the District by shortening the timeline for certain actions by the City Council.
5. Annexations to the City of the Beechwood, Olsen and Our Town areas (Annexation Nos. 86, 87 and 88) occurred subsequent to the approval and recordation of the map of the Future Annexation Area 2 of Community Facilities District No. 2005-1. The proposed resolution is to set a public hearing on the procedures to provide for the future annexation of the Beechwood, Olsen and Our Town areas into CFD 2005-1.

**Analysis  
and**

**Conclusion:** Annexation to the City's CFD 2005-1 is necessary to mitigate projected adverse fiscal impacts of new residential development.

In order to apply Community Facilities District No. 2005-1 to areas newly annexed to the City it is necessary to amend the map of CFD No. 2005-1.

**Policy**

**Reference:** General Plan

**Fiscal**

**Impact:** With annexation to the CFD, none. The future annexation of territory into the District will have a beneficial impact to the City's budget in that, upon implementation of the proposed financing district, it would assist in the funding of police and fire services that would otherwise come from the City's general fund.

- Options:**
- a. Adopt the resolution of intention Resolution No. 06-xxx, and setting April 18, 2006 in the Paso Robles City Hall, 1000 Spring Street, for public hearing on the Resolution to provide for future annexation of Future Annexation Area 2 to the CFD.
  - b. Amend, modify or reject the above option.

Attachments: (2)

1. Proof of Publication
2. Resolution of Intention for Future Annexation of Territory with Exhibits A-D

PROOF OF PUBLICATION

LEGAL NEWSPAPER NOTICES

CITY COUNCIL  
PROJECT NOTICING

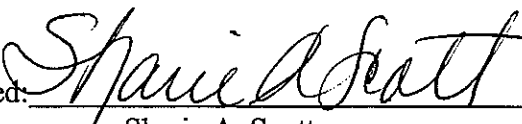
Newspaper: The Tribune

Date of Publication: February 25, 2006

Meeting Date: March 7, 2006  
City Council

Project: Notice of Hearing for Future  
Annexation of Territory to the CFD

I, Sharie A. Scott, employee of the  
Community Development Department, Engineering  
Division, of the City of El Paso de Robles, do hereby  
certify that this notice is a true copy of a published  
legal newspaper notice for the above named project.

Signed:   
Sharie A. Scott

**NOTICE OF PUBLIC HEARING**  
**Regarding Future Annexation of**  
**Territory to City of El Paso de Robles**  
**Community Facilities**  
**District No. 2005-01**  
**(CFD 2005-01 (Public Services))**

Notice is hereby given that on March 7, 2006, the City Council (the "Council") of the City of El Paso de Robles (the "City") pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Act"), will conduct a public hearing to consider the adoption of a resolution (the "Resolution") to provide for the future annexation of territory to CFD No. 2005-01. The hearing will be held at 7:30 p.m. in the City Council chambers, 1000 Spring Street, Paso Robles, 93446. Under the Act and that Resolution the City hereby gives notice as follows:

A. The text of the body of the Resolution is as follows:

WHEREAS, in accordance with the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing at Section 53311, of the California Government Code, Community Facilities District No. 2005-01 (Public Services District) (the "CFD") was created by City of the City of Paso Robles Resolution No. 05-063 on April 5, 2005. The boundaries of the CFD are as shown on the map on file with the City Clerk, recorded as Document No. 2005-016016 in Book 5 of Maps of Assessment and Community Facilities Districts at pages 7 and 8 of the County Recorder of San Luis Obispo County, and depicted on Exhibit A, attached hereto and incorporated by reference; and

WHEREAS, in accordance with the proceedings pursuant to Article 3.5 of the Act, the City also has provided for the future annexation of certain territory to the CFD. The boundaries of the Future Annexation Area are as shown on the map on file with the City Clerk, recorded as Document No. 2005-016017 in Book 5 of Maps of Assessment and Community Facilities Districts at pages 9 and 10 of the County Recorder of San Luis Obispo County, and depicted on Exhibit B, attached hereto and incorporated by reference; and

WHEREAS, the type of services currently financed by the CFD and pursuant to the Act consist of those items listed in the Description of Services Financed by the Community Facilities District on Exhibit C hereto and hereby incorporated herein; and

WHEREAS, under the Act, this Council is authorized to annex territory to an existing community facilities district and to act as the legislative body for such community facilities district; and

WHEREAS, the City Council of the City of El Paso Robles ("City"), has determined that public convenience and necessity require that territory be added to the existing CFD and may adopt a resolution of intention to provide for the future annexation of such territory (the "Future Annexation Area 2") to the CFD pursuant to the Act, for the purposes of paying the costs of services to be provided by the City for the additional services authorized to be financed pursuant to Sections 53313 and 53313.5 of the California Government Code, provided, however, that parcels within the Future Annexation Area 2 may be annexed only with the unanimous approval of the owner or owners of each parcel or parcels at the time that parcel or those parcels are annexed to CFD No. 2005-01; and

WHEREAS, the City desires to adopt a resolution of intention to provide for the future annexation of the Future Annexation Area 2 to CFD No. 2005-01 in order to finance the costs of public infrastructure necessary or incidental to development of the Future Annexation Area 2;

# PROOF OF PUBLICATION

NOW, THEREFORE, BE IT RESOLVED, as follows:

**Section 1. Authority.** This Council proposes to conduct proceedings to annex the Future Annexation Area 2 into the CFD pursuant to the Act.

**Section 2. Boundaries Described.** The proposed boundaries of the Future Annexation Area 2 are as shown on the map on file with the City Clerk and attached hereto as Exhibit D and incorporated by reference, which boundaries are hereby preliminarily approved and to which map reference is hereby made for further particulars. The City Clerk is hereby directed to record, or cause to be recorded, said map of the boundaries of the Future Annexation Area 2 in the office of the County Recorder of San Luis Obispo County within fifteen days of the date of adoption of this Resolution, but in any event at least fifteen days prior to the public hearing specified in paragraph 10 below.

**Section 3. Services.** The type of services proposed to be provided to the Future Annexation Area 2 and pursuant to the Act shall consist of those items listed in the Description of Services Financed by the Community Facilities District on Exhibit C hereto and hereby incorporated herein.

**Section 4. Special Tax.** A special tax (the "Special Tax") sufficient to pay the costs of the Services provided to the Future Annexation Area 2, secured by recordation of a continuing lien against all nonexempt real property in the Annexation, will be levied annually within the Future Annexation Area 2, and collected in the same manner as ordinary ad valorem property taxes, or in such other manner as this Council or its designee shall determine, including direct billing of the affected property owners. The proposed rate and method of apportionment of the Special Tax among the parcels of real property within Future Annexation Area 2 shall be equal to any special tax levied to pay for the same services in the existing district, except that a higher or lower tax may be levied within the Future Annexation Area 2 to the extent that the actual cost of providing the services in that Future Annexation Area 2 is higher or lower than the cost of providing those services in the existing district.

**Section 5. No Alteration of Special Tax Rate Within Existing CFD.** As a result of the proposed Future Annexation Area 2, the special tax rate levied within the existing community facilities district will not be altered or increased.

**Section 6. Exempt Property.** Except as may otherwise be provided by law or by the rate and method of apportionment of the Special Tax for the Future Annexation Area 2, all lands owned by any public entity, including the United States, the State of California and the City, or any departments or political subdivisions thereof, shall be omitted from the levy of the Special Tax. In the event that a portion of the property within the Future Annexation Area 2 shall become for any reason exempt, wholly or in part, from the levy of the Special Tax, this Council will, on behalf of the Future Annexation Area 2, increase the levy to the extent necessary upon the remaining property within the Future Annexation Area 2 which is not exempt in order to yield the required debt service payments and other annual expenses of the Future Annexation Area 2, if any, subject to the provisions of the rate and method of apportionment of the Special Tax.

**Section 8. Public Hearing.** On April 18, 2006, at 7:30 p.m., or as soon as possible thereafter, in the City Council Chambers, located at 1000 Spring Street, this Council, as legislative body for the CFD, will conduct a public hearing on the resolution to provide for future annexation of Future Annexation Area 2 to the CFD.

**Section 9. Notice of Hearing.** The City Clerk is hereby directed to cause notice of the public hearing to be given by publication one time in a newspaper published in the area of the Future Annexation Area 2. The publication shall be completed at least seven days before the date of the public hearing referenced in Section 8. The notice shall be substantially in the form specified in Section 53322 of the Act, with the form summarizing the provisions hereof hereby specifically approved.

For a complete copy of the Resolution, including the Exhibits thereto, contact the City Clerk of the City of El Paso de Robles at City Hall, 1000 Spring Street, Paso Robles, CA 93446.

B. The time and place established under the above Resolution for the public hearing required under the Act is 1000 Spring Street, Paso Robles, California 93446 on April 18, 2006, at 7:30 p.m., or as soon as possible thereafter, in the City Council Chambers, 1000 Spring Street, Paso Robles, CA 93446.

C. At said hearing, the testimony of all interested persons or taxpayers for or against the resolution of intention to provide for the future annexation of Future Annexation Area 2 to the CFD. Any person interested may file a protest in writing as provided in Section 53339.5 of the Act: if 50 percent or more of the registered voters, or six registered voters, whichever is more, residing within the existing CFD, or if 50 percent or more of the registered voters or six registered voters, whichever is more, residing within the Future Annexation Area 2, or if the owners of one-half or more of the area included in the existing CFD, or if the owners of one-half or more of the area of land in the Future Annexation Area 2, file written protests against the proposed addition of the Future Annexation Area 2 to the existing CFD in the future, and protests are not withdrawn so as to reduce the protests to less than a majority, the City Council shall take no further action to annex the Future Annexation Area 2 to the CFD for a period of one year from the date of said hearing.

Dated as of February 23, 2006

Cathy David  
Deputy City Clerk of the City of El Paso de Robles  
Feb. 25, 2006

6333625

RESOLUTION NO. 06-

A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES TO PROVIDE FOR THE FUTURE ANNEXATION OF TERRITORY TO COMMUNITY FACILITIES DISTRICT [CFD No. 2005-1 - PUBLIC SERVICES]

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WHEREAS, in accordance with the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing at Section 53311, of the California Government Code, Community Facilities District No. 2005-01 (Public Services District) (the "CFD") was created by City of the City of Paso Robles Resolution No. 05-063 on April 5, 2005. The boundaries of the CFD are as shown on the map on file with the City Clerk, recorded as Document No. 2005-016016 in Book 5 of Maps of Assessment and Community Facilities Districts at pages 7 and 8 of the County Recorder of San Luis Obispo County, and depicted on Exhibit A, attached hereto and incorporated by reference; and

WHEREAS, in accordance with the proceedings pursuant to Article 3.5 of the Act, the City also has provided for the future annexation of certain territory to the CFD. The boundaries of the Future Annexation Area are as shown on the map on file with the City Clerk, recorded as Document No. 2005-016017 in Book 5 of Maps of Assessment and Community Facilities Districts at pages 9 and 10 of the County Recorder of San Luis Obispo County, and depicted on Exhibit B, attached hereto and incorporated by reference; and

WHEREAS, the type of services currently financed by the CFD and pursuant to the Act consist of those items listed in the Description of Services Financed by the Community Facilities District on Exhibit C hereto and hereby incorporated herein; and

WHEREAS, under the Act, this Council is authorized to annex territory to an existing community facilities district and to act as the legislative body for such community facilities district; and

WHEREAS, the City Council of the City of El Paso Robles ("City"), has determined that public convenience and necessity require that territory be added to the existing CFD and may adopt a resolution of intention to provide for the future annexation of such territory (the "Future Annexation Area 2") to the CFD pursuant to the Act, for the purposes of paying the costs of services to be provided by the City for the additional services authorized to be financed pursuant to Sections 53313 and 53313.5 of the California Government Code, provided, however, that parcels within the Future Annexation Area 2 may be annexed only with the unanimous approval of the owner or owners of each parcel or parcels at the time that parcel or those parcels are annexed to CFD No. 2005-01; and

WHEREAS, the City desires to adopt a resolution of intention to provide for the future annexation of the Future Annexation Area 2 to CFD No. 2005-01 in order to finance the costs of public infrastructure necessary or incidental to development of the Future Annexation Area 2;

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1. Authority. This Council proposes to conduct proceedings to annex the Future Annexation Area 2 into the CFD pursuant to the Act.

SECTION 2. Boundaries Described. The proposed boundaries of the Future Annexation Area 2 are as shown on the map on file with the City Clerk and attached hereto as Exhibit D and incorporated by reference, which boundaries are hereby preliminarily approved and to which map reference is hereby made for further particulars. The City Clerk is hereby directed to record, or cause to be recorded, said map of the boundaries of the Future Annexation Area 2 in the office of the County Recorder of San Luis Obispo County within fifteen days of the date of adoption of this Resolution, but in any event at least fifteen days prior to the public hearing specified in paragraph 10 below.

SECTION 3. Services. The type of services proposed to be provided to the Future Annexation Area 2 and pursuant to the Act shall consist of those items listed in the Description of Services Financed by the Community Facilities District on Exhibit C hereto and hereby incorporated herein.

SECTION 4. Special Tax. A special tax (the "Special Tax") sufficient to pay the costs of the Services provided to the Future Annexation Area 2, secured by recordation of a continuing lien against all nonexempt real property in the Annexation, will be levied annually within the Future Annexation Area 2, and collected in the same manner as ordinary ad valorem property taxes, or in such other manner as this Council or its designee shall determine, including direct billing of the affected property owners. The proposed rate and method of apportionment of the Special Tax among the parcels of real property within Future Annexation Area 2 shall be equal to any special tax levied to pay for the same services in the existing district, except that a higher or lower tax may be levied within the Future Annexation Area 2 to the extent that the actual cost of providing the services in that Future Annexation Area 2 is higher or lower than the cost of providing those services in the existing district.

SECTION 5. No Alteration of Special Tax Rate Within Existing CFD. As a result of the proposed Future Annexation Area 2, the special tax rate levied within the existing community facilities district will not be altered or increased.

SECTION 6. Exempt Property. Except as may otherwise be provided by law or by the rate and method of apportionment of the Special Tax for the Future Annexation Area 2, all lands owned by any public entity, including the United States, the State of California and the City, or any departments or political subdivisions thereof, shall be omitted from the levy of the Special Tax. In the event that a portion of the property within the Future Annexation Area 2 shall become for any reason exempt, wholly or in part, from the levy of the Special Tax, this Council will, on behalf of the Future Annexation Area 2, increase the levy to the extent necessary upon the remaining property within the Future Annexation Area 2 which is not exempt in order to yield the required debt service payments and other annual expenses of the Future Annexation Area 2, if any, subject to the provisions of the rate and method of apportionment of the Special Tax.

SECTION 7. Public Hearing. On April 18, 2006, at 7:30 p.m., or as soon as possible thereafter, in the City Council Chambers, located at 1000 Spring Street, this Council, as legislative body for the CFD, will conduct a public hearing on the resolution to provide for future annexation of Future Annexation Area 2 to the CFD.

SECTION 8. Notice of Hearing. The City Clerk is hereby directed to cause notice of the public hearing to be given by publication one time in a newspaper published in the area of the Future Annexation Area 2. The publication shall be completed at least seven days before the date of the public hearing referenced in Section 7. The notice shall be substantially in the form specified in Section 53322 of the Act, with the form summarizing the provisions hereof hereby specifically approved.

ADOPTED by the City Council of the City of Paso Robles at a regular meeting of said Council held on the 7<sup>th</sup> day of March, 2006, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Frank R. Mecham, Mayor

ATTEST:


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Cathy M. David, Deputy City Clerk

**PROPOSED BOUNDARIES OF  
CITY OF PASO ROBLES  
COMMUNITY FACILITIES DISTRICT NO. 2005-1  
(PUBLIC SERVICES)  
COUNTY OF SAN LUIS OBISPO  
STATE OF CALIFORNIA**

ASHWOOD PL.

**LEGEND**

 Proposed Boundaries of City of Paso Robles Community Facilities District No. 2005-1, San Luis Obispo County, California

Reference is hereby made to the Assessor maps of the County of San Luis Obispo for a description of the lines and dimensions of this parcel.



BEECHWOOD DRIVE

ORIOLE WAY

COOL VALLEY RD.


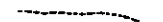
APN: 009-750-001

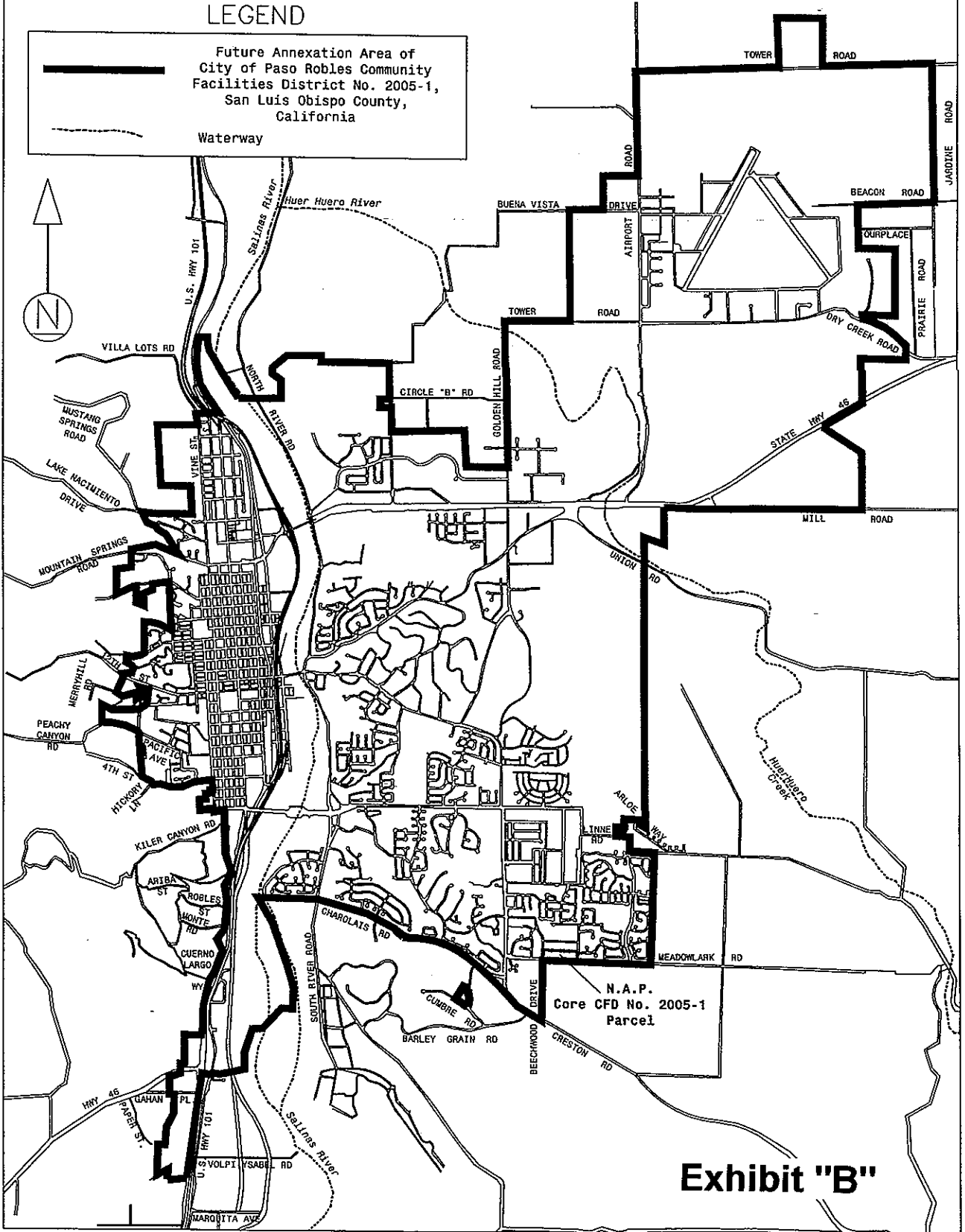
MEADOWLARK ROAD

Exhibit "A"

**FUTURE ANNEXATION AREA OF  
CITY OF PASO ROBLES  
COMMUNITY FACILITIES DISTRICT NO. 2005-1  
(PUBLIC SERVICES)  
COUNTY OF SAN LUIS OBISPO  
STATE OF CALIFORNIA**

**LEGEND**

	Future Annexation Area of City of Paso Robles Community Facilities District No. 2005-1, San Luis Obispo County, California
	Waterway



**Exhibit "B"**

## **Exhibit C**

### **DESCRIPTION OF SERVICES**

A community facilities district may finance any one or more of the following types of services: police protection services; fire protection and suppression services; ambulance and paramedic services; recreation program services, library services, maintenance services for elementary and secondary school sites and structures, operation and maintenance of museums and cultural facilities; maintenance of parks, parkways (including street lights), and open space; flood and storm protection services, including the operation and maintenance of storm drainage systems and sandstorm protection systems; services with respect to the removal or remedial action cleanup of hazardous substances. The authorized services may be financed only to the extent that such services are in addition to those services provided in the community facilities district prior to creation of the community facilities district. All of these public services are authorized by CFD No. 2005-1.

CFD No. 2005-1 shall only finance the above listed services only to the extent that they are in addition to existing public services provided within the boundaries of CFD No. 2005-1 before creation of the district and such authorized services may not supplant services already available within CFD No. 2005-1 at creation of said CFD. The Special Taxes required to finance the related annual costs of those public services will be apportioned as described in the Rate and Method of Apportionment of the Special Tax for CFD No. 2005-1.

