

TO: GCSB Board of Directors

FROM: Peter Kampa, General Manager

DATE: September 14, 2021

SUBJECT: Agenda Item 6A: Adoption of a Resolution Establishing the Definition of Development as it Relates to the types of Projects to which the CFD 2021-1 will Apply

RECOMMENDED ACTION:

I move to approve Resolution 26-2021 establishing the definition of development as it relates to the types of projects to which the CFD 2021-1 will Apply.

BACKGROUND:

For the past several years, the Board and management have been evaluating opportunities to close the gap in the cost to provide park and fire services and the amount of tax revenue available to the District to fund these important services. The Board was made aware that every time a new residential lot is created, commercial building project approved or home built, the need to expand our park and fire services increases, and the funding gap widens. The Board therefore entered into agreement with NBS to conduct a Fiscal Impact Analysis (FIA) to determine exactly the amount of the funding gap, and how it could be closed for new development projects with the creation of a Community Facilities District, or CFD.

A CFD is formed to provide funding for specified public services in a specific area. The CFD provides the legal structure and process to levy special taxes to generate the revenue identified necessary in the FIA, under authorization of the Mello Roos Community Facilities Act contained in state law. On June 8, 2021, the Board of Directors adopted Local Goals and Policies for Community Facilities District formation and a resolution of intention to form Community Facilities District (CFD) 2021-1 to provide funding for fire and park services. The Board then held a public hearing on July 13, 2021, to receive public comments and protests on the CFD formation. Following the public hearing, the Board adopted Resolution 22-2021 officially forming CFD 2021-1 (Public Services), with boundaries the same as that of GCSB, and containing no parcels at this point. Existing developed properties are not required to annex to the CFD. Properties being developed may annex to the CFD by submitting a Unanimous Approval Form.

During management's introduction of the various reports and documents associated with the CFD formation, it was discussed that the CFD would apply to new land development projects, and that parcel splits/parcel maps and individual building permits would not annex into the CFD. The staff report incorrectly read as follows:

- *Individual parcels securing building permits, lot splits/combinations, and parcel maps of 5 parcels or less will **not** be required to annex into the CFD.*

During the process of creating the various forms and checklists, and training for implementation of the CFD, it was determined that the consultant prepared Fiscal Impact Analysis and CFD documentation contemplated CFD annexation for all types of building and development projects, including new residential or commercial buildings (permits) and development of all new parcels created. Basically, all new development creates an increased demand for services, and therefore all new development projects could annex to the CFD 2021-1. For documentation purposes, staff recommends documenting a definition of “development” in a Board resolution, to which annexation into the CFD would apply.

ATTACHMENTS:

Resolution 26-2021

FISCAL IMPACT:

There is no direct fiscal impact in adoption of this clarifying resolution. Applying the annexation requirements to all new development will ensure that the cost of providing fire and park services are covered proportionally and fully by all future parcels created and properties developed.

RESOLUTION 25-2021

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GROVELAND COMMUNITY SERVICES DISTRICT ESTABLISHING THE DEFINITION OF DEVELOPMENT AS IT RELATES TO THE TYPES OF PROJECTS TO WHICH THE CFD 2021-01 WILL APPLY

WHEREAS, the Groveland Community Services District (herein referred to as District) is a local government agency formed and operating in accordance with Section §61000 et seq. of the California Government Code; and

WHEREAS, on July 13, 2021, the Board of Directors adopted Resolution 22-2021 forming GCSD Community Facilities District 2021-1 (Public Services) to provide additional funding for Park and Fire services; and

WHEREAS, the Community Facilities District 2021-1 (Public Services) was formed to provide the legal structure and special taxation process for new development projects to pay their proportional cost of funding and expanding park and fire services in the future so that service finances and service levels remain appropriate and within District standards into the future; and

WHEREAS, the Board desires to document by resolution the types of new development/building projects that qualify for annexation to Community Facilities District 2021-1 (Public Services).

NOW THEREFORE BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF THE GROVELAND COMMUNITY SERVICES DISTRICT DOES HEREBY establish the definition of new development/building projects that qualify for annexation to the Community Facilities District 2021-1 (Public Services) as follows:

1. New construction or complete demolition and redevelopment of residential projects
2. New construction or complete demolition and redevelopment of hotel projects
3. New construction or complete demolition and redevelopment of RV park projects
4. New construction or complete demolition and redevelopment of commercial/industrial projects
5. Building additions (commercial/industrial) that increase total on-site building footprint by at least 100%, and
6. Any future projects that are likely to impose negative fiscal impacts to CSD services, as determined by CSD staff.

WHEREFORE, this Resolution is passed and adopted by the Board of Directors of the Groveland Community Services District on September 14, 2021, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

Rachel Pearlman, Board Secretary

Janice Kwiatkowski, President - Board of Directors

CERTIFICATE OF SECRETARY

I, Rachel Pearlman, the duly appointed and acting Secretary of the Board of Directors of the Groveland Community Services District, do hereby declare that the foregoing Resolution was duly passed and adopted at a Regular Meeting of the Board of Directors of the Groveland Community Services District, duly called and held on September 14, 2021.

DATED: _____