



Agenda Report

Fullerton City Council

MEETING DATE: NOVEMBER 16, 2021

TO: CITY COUNCIL / SUCCESSOR AGENCY

FROM: STEVE DANLEY, ACTING CITY MANAGER

PREPARED BY: GREG PFOST, INTERIM DIRECTOR OF COMMUNITY AND ECONOMIC DEVELOPMENT
ELLIS CHANG, DIRECTOR OF ADMINISTRATIVE SERVICES
HEATHER ALLEN, PLANNING MANAGER

SUBJECT: CITY OF FULLERTON COMMUNITY FACILITIES DISTRICT NO. 3 (THE PINES AT SUNRISE VILLAGE) -- PUBLIC HEARING CONTINUANCE

SUMMARY

City Council adopted Resolutions of Intention to establish and incur bonded indebtedness for City of Fullerton Community Facilities District No. 3 (The Pines at Sunrise Village) ("CFD No. 3") on October 5, setting a public hearing for November 16, 2021. The developer has requested a delay in the proceedings. This item would open and continue the public hearing to December 21, 2021, as required by the Mello-Roos Community Facilities Act of 1982.

RECOMMENDATION

Adopt Resolution No. 2021-XX.

RESOLUTION NO. 2021-XX – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FULLERTON, CALIFORNIA ORDERING CONTINUATION OF HEARINGS FOR COMMUNITY FACILITIES DISTRICT NO. 3 (THE PINES AT SUNRISE VILLAGE)

BUDGET POLICY PRIORITY STATEMENT

This item matches the following Budget Policy Priority Statements:

- Fiscal and Organizational Stability
- Infrastructure and City Assets.

FISCAL IMPACT

The City has received a deposit (the “Initial Deposit”) from Sunrise Village Owner, LLC¹ (the “Applicant”) to initiate proceedings to form a community facilities district. The Initial Deposit, together with any subsequent deposit required of the Applicant pursuant to the terms of the Deposit and Reimbursement Agreement, will fully cover the costs of City staff time and its consultants to form the community facilities district. Any bonds issued by CFD No. 3 does not obligate the City. The special taxes levied in CFD No. 3 will solely secure the bonds.

DISCUSSION

The Applicant owns a 12.52-acre commercial retail property within the City (located at the southwest corner of Euclid Street and Rosecrans Avenue) which they propose to redevelop into a 164-dwelling unit residential community known as The Pines at Sunrise Village (the “Project”). The Applicant has petitioned the City to form CFD No. 3 in accordance with the Act.

On October 5, 2021, City Council adopted Resolution No. 2021-74 stating its intention to establish CFD No. 3 for the purpose of financing certain public facilities and facilities fees required under the conditions of approval for the Project. The Resolution of Intention incorporated a map of the proposed boundaries of the CFD, a description of the facilities to be provided and the RMA, which sets forth the formula under which to calculate and levy special taxes in CFD No. 3. City Council also adopted Resolution No. 2021-75, stating its intention to incur bonded indebtedness for CFD No. 3 in an amount not to exceed \$7,000,000. These resolutions set November 16, 2021 as the public hearing date.

Because City Council will not hear the land use approvals for the project until December 7, 2021, the Applicant has requested that the City continue the public hearings and delay the balance of the formation proceedings for CFD No. 3 until December 21, 2021. The attached resolution makes the necessary findings for the continuance. This resolution also directs the City Clerk to post a notice of continuance regarding the public hearings.

Attachments:

- Attachment 1 – Resolution No. 2021-XX

¹ Sunrise Village Owner, LLC is an investment vehicle for Shopoff Realty