

## **TOWN COUNCIL STAFF REPORT**

Title: Adopt the resolution declaring the Council’s intention to annex territories into the Community Facilities District No. 2013-3 (Transit CFD), levying a special tax in connection therewith, and setting the time and place for the public hearing on December 7, 2022.

Meeting Date: November 2, 2022

Prepared by: Amy Callanan, PE, Engineering Manager

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### **RECOMMENDATION:**

Adopt the attached resolution declaring the Council’s intention to annex territories into the Community Facilities District No. 2013-3 (Transit Services) pursuant to the Mello-Roos Community Facilities Act of 1982, levying a special tax in connection therewith, and setting the time and place for the public hearing on December 7, 2022.

### **BACKGROUND:**

In 2014, the Town developed the Community Facilities District (CFD) 2013-3 (Transit Services) (“Transit CFD”) for subdivisions in the Resort Zone that allow transient occupancies. The imposition of such a tax at an appropriate rate would satisfy the fiscal impact requirements of the Town’s mitigation requirements for the 2007 General Plan Environmental Impact Report and the Intrawest Development Agreement to which the parcels are subject. The Town Council adopted Goals and Policies for Community Facilities District at the March 6, 2013 meeting. The Notice of Intent was adopted by Town Council Resolution No. 14-147 on April 2, 2014. Pursuant to this policy, all Planning Resolutions for project entitlements which allow transient use include a condition of approval requiring annexation into the Transit CFD.

A property is not subject to the tax until it becomes a “qualified residential property” (a property for which a certificate of occupancy has been issued for purposes of a residential dwelling unit that allows for transient use.) As of February 2022, there were 96 parcels within the District that have received their certificate of occupancy. The developments or properties with occupancy permits are located within Obsidian Residence Club, Altis, Hillside, Mountainside, Gray Stone, Gray Bear I, Gray Bear II, Gray Bear III, 125 Lakeview, 540 Old Mammoth Road, and Hillside Highlands.

The Town has received a petition from a developer requesting the Town Council undertake and complete proceedings to annex the developers’ properties into the District as shown on Annexation Map No. 6 in Exhibit A. The properties include parcels associated with the Snowcreek 8 project. The petition requests the Town finance services and improvements with a special tax levied against properties included in the District.

**ANALYSIS:**

Adoption of this “Resolution of Intention” is a legally required step for the annexation of properties into the District.

If the Council approves the Resolution of Intention attached hereto, the Council will then hold a public hearing on December 7, 2022 annexing the properties. Because it has received petitions, the Council is legally required to adopt a Resolution of Intention and to hold a public hearing at the date set by the Resolution of Intention. The Council must adopt a Resolution of Intention within 90 days of its receipt of the Developers’ petitions. After holding the public hearing, the Council may decide whether or not it desires to adopt a resolution annexing properties into the Community Facilities District.

**FINANCIAL CONSIDERATIONS:**

Properties included in the Community Facilities District are required to pay a special tax once they obtain certificates of occupancy for qualified residential properties (units zoned for transient use).

The Transit Services CFD No. 2013-3 tax rate for each qualified property for the 2021/22 fiscal year was \$183.36 per dwelling unit or transient rental room. The total special tax requirement for the district was \$19,436.16. The properties included in this resolution are currently vacant with no approved entitlements, however any future entitlements consisting of units zoned for transient use would be subject to levy of future taxes.

**ENVIRONMENTAL CONSIDERATIONS:**

The annual resolution for special taxing districts as a mechanism for funding maintenance is Categorically Exempt per section 15060(c)(3) of the California Environmental Quality Act.

**ATTACHMENTS:**

- Resolution No. 22-\_\_: CFD 2013-3 Resolution of Intention to Annex Property
- Exhibit A: CFD 2013-3 Annexation No. 6 Boundary Map
- Exhibit B: Notice of Public Hearing
- CFD 2013-3 Annex. No. 6 Petition