



**CITY COUNCIL STAFF REPORT**

**ITEM NO. 6.1**

---

**DATE:** March 10, 2025

**TO:** Honorable Mayor and City Council

**FROM:** Brent Smith, Community Development Director

**SUBJECT:** Public hearing adding Assessor's Parcel Number 904-0010-002-10 (SMP 40 project, located at the southern end of Discovery Drive and Atlantis Court) to the Future Annexation Area for the City of Livermore Community Facilities District No. 2021-1 (Maintenance and Public Services) and authorizing and directing actions related thereto.

**RECOMMENDED ACTION**

Staff recommends the City Council take the following actions in connection with the proposed addition of Assessor's Parcel Number 904-0010-002-10 (SMP 40 project, located at the southern end of Discovery Drive and Atlantis Court) to the Future Annexation Area for the City of Livermore Community Facilities District No. 2021-1 (Maintenance and Public Services):

1. Conduct the public hearing and consider written and oral protests; and
2. Adopt the resolution adding Assessor 's Parcel Number 904-0010-002-10 to the Future Annexation Area for the City of Livermore Community Facilities District No. 2021-1 (Maintenance and Public Services).

**SUMMARY**

The City Council previously established City of Livermore Community Facilities District No. 2021-1 (Maintenance and Public Services) (CFD2021-1) under the Mello-Roos Community Facilities Act of 1982, as amended (Mello Roos Act), to finance a broad range of municipal services in the City. The City also established a future annexation area for CFD 2021-1 (Future Annexation Area); properties in the Future Annexation Area can annex into the CFD using a streamlined procedure.

The SMP 40 project, located at the southern end of Discovery Drive and Atlantis Court, was conditioned to annex into the City limits and to participate in a maintenance district to finance the maintenance, operation, and replacement of an on-site trail and other services associated with the project. The developer, Overton Moore, is seeking to fulfill this obligation by requesting inclusion into the Future Annexation Area following formal annexation to City limits. Formal annexation to the City was approved in August of 2024 and the parcel can now be added to the CFD 2021-1 Future Annexation Area.

On January 27, 2025 the City Council adopted a resolution declaring the intention to add Assessor Parcel Number 904-0010-002-10 to the Future Annexation Area for CFD 2021-1 and calling a public hearing.

## **DISCUSSION**

Development projects with new public trails, landscaping, or water quality and drainage infrastructure are required, through conditions of approval, to provide funding for the long-term maintenance and replacement of this infrastructure. This is typically done by forming a Community Facilities District (CFD). Forming a CFD is a time consuming and costly process requiring City Council approval at two meetings separated between 30 and 60 days. A more efficient and less costly process is to form a CFD with a future annexation area that includes the entire City. Development projects conditioned to provide maintenance funding can then annex into the CFD through a simple process with the unanimous consent of the annexing property owners.

Under the Mello-Roos Act, the parcels in the future annexation area for a CFD are not subject to the special tax levied in the CFD until they annex into the CFD. Properties in the Future Annexation Area may annex into the CFD if the owners execute a unanimous approval in which they agree to annex their parcel(s) into the CFD and vote in favor of the special tax, without any further public hearings or proceedings. By establishing a future annexation area for a CFD, the annexation of future development projects is streamlined by eliminating the need for multiple City Council meetings for each annexation proceeding.

On July 12, 2021, CFD 2021-1 was formed with a future annexation area that encompassed the entire boundary of the City at that time.

On March 25, 2024, the City Council approved Vesting Tentative Parcel Map 11219 for the SMP 40 parcel located just south of City limits at the end of Atlantis Court and Discovery Drive. The project was conditioned to annex into City limits and participate in a CFD to fund the maintenance of an on-site public trail. The developer, Overton Moore, is seeking to fulfill this obligation by requesting inclusion into the Future Annexation Area of CFD 2021-1 following formal annexation to City limits. Formal annexation to the City was approved in August of 2024 and the parcel can now be added to the CFD 2021-1 boundary.

On January 27, 2025 the City Council adopted a resolution declaring the intention to add Assessor Parcel Number 904-0010-002-10 to Future Annexation Area for the City of Livermore Community Facilities District No. 2021-1 (Maintenance and Public Services) and calling a public hearing.

On March 10, 2025 the City Council will conduct the public hearing. The public hearing provides an opportunity for public inquiry into the addition of territory to the future annexation area. The proposed addition of the SMP 40 parcel to the Future Annexation Area must stop if written protests have been filed with the City Clerk by (i) 50% or more of the registered voters, or six registered voters, whichever is more, residing in the boundaries of CFD 2021-1, or (ii) 50% or more of the registered voters, or six registered voters, whichever is more, residing in the SMP 40 parcel, or (iii) owners of one-half or more of the area of land in CFD 2021-1, or (iv) the owner(s) of the SMP 40 parcel. At the conclusion of the public hearing, assuming there have not been sufficient protest to halt the proceeding, the City Council is asked to consider and adopt a resolution adding Assessor 's Parcel Number 904-0010-002-10 to the Future Annexation Area for CFD 2021-1.

Following the public hearing, the subject parcel that was added to the Future Annexation Area will now be able to annex into CFD 2021-1 without any requirement for further public hearings or additional proceedings if their owners execute a unanimous approval (Unanimous Approval). Under the Mello-Roos Act, this constitutes the vote of the qualified elector in favor of the matters addressed in the Unanimous Approval for purposes of California law.

### **FISCAL AND ADMINISTRATIVE IMPACTS**

The City will administer CFD 2021-1 on an annual basis and will budget for, and manage, the necessary maintenance, operation, replacement, and administration. All related expenditures will be paid by the special taxes levied in CFD 2021-1.

### **COMMUNITY PILLAR**

2: Economy That Prospers

### **GOAL**

5: Facilitate the development of commercial and industrial projects that provide high-quality local jobs and support a diverse local economy.

### **ATTACHMENTS**

1. [Annexation Area Map](#)
2. [Resolution](#)

Prepared by: Debbie Salgado  
Senior Civil Engineer

Approved by:



---

Marianna A. Burch  
City Manager

Fiscal Review by:



---

Tina Olson  
Administrative Services Director