



**City of Escondido
Community Facilities District No. 2020-1 (Services)
Annexation Procedures**

Background:

The City of Escondido’s General Plan states that residential development projects will provide for the ongoing public services required to serve the development.

The City conducted a Fiscal Impact Assessment that determined that the cost to serve new residential development exceeds the revenue generated from that development. Each new residential unit constructed within the City will be required to offset and fund the development project’s ongoing public services costs. In order to ensure that new residents within our city continue to receive the services at their current level, a voluntary Community Facilities District (CFD) has been created to fund municipal services associated with new residential development. Each new residential development permitted after May 13, 2020 will be annexed into this CFD through a voluntary annexation process, or, alternatively, the new residential development will provide an alternate funding mechanism for offsetting the development’s impacts to municipal services. The CFD is a streamlined and established funding mechanism that the development can select to offset ongoing public services costs.

For new single family units within the City limits, the **Fiscal Year 2022-23** adopted special tax rates are shown below. The rates are scheduled to increase each fiscal year (July 1) based on inflation. New accessory dwelling units and expansion of existing single family homes are exempt from the special tax. A special rate and method of apportionment is required for uses that do not fit within the below general plan designations or are outside the current city limits.

Density Range	Less than 5.5 Units/Acre	5.5 - 18 Units/Acre	18 - 30 Units/Acre	Greater than 30 Units/Acre
General Plan Designation	Urban I Suburban Estate I / II Rural I / II	Urban II Urban III	Urban IV Urban V	SPA (Downtown Specific Plan)
Annual Special Tax Rate per Dwelling Unit	\$575.19	\$797.33	\$778.01	\$840.25

The annexation process generally takes approximately three (3) months from start to finish. The annexation process is completed by City Council action, generally on a quarterly basis.

Steps to Annex:

1. **Submit Application:**

Please review the attached Annexation Checklist below. Complete the Annexation Application, execute the Letter of Intent, and provide all required documents on the Submittal Checklist. Submit completed documents with your application to Engineering Services and email a duplicate copy of documents to: ayun@escondido.org Allen Yun, Management Analyst, Engineering Services Department, 760-839-4665.

2. **Receive Confirmation of Adequacy:**

The documents will be reviewed, and a confirmation email or call will be received. If the items provided are found to be complete, additional documents will be provided for processing.

3. **Unanimous Approval Letter:**

Execute the Unanimous Approval Letter and deliver wet signed copy to Allen Yun within 30 days of the City Council Action: Annexation Date

4. **City Council Action:**

On a quarterly basis the City Council will take action to annex property by resolution of CFD No. 2020-1 (Services).

5. **Recording Documents:**

After City Council actions, two documents are recorded. These documents are required by statute and allow the annual levy of the special tax to be collected by the County of San Diego through the property tax bill. The owner of the property must disclose the special tax to all prospective purchasers of the property within the annexed area. The recorded documents include a Boundary Map, which identifies the assessor parcel numbers within the annexed area, and a Notice of Special Tax.

6. **Return of Recorded Documents:**

Once the Boundary Map and Notice of Special Tax are recorded, a copy of these documents will be emailed to the Owner.

PROPERTY OWNER ANNEXATION CHECKLIST:

The owner requesting to annex into CFD 2020-1 shall provide the following information:

No.	✓	Description of Item Required
1.		Project Description and Property Address (if assigned) (application)
2.		Assessor Parcel Number(s) – a total APN must be annexed (application)
3.		Acreage per Assessor Parcel Number (application)
4.		Legal Description (application)
5.		City permit numbers (application)
6.		Name, Address, Email and Phone Number of the Owner(s) (application)
7.		Title Report less than 30 days old from planned Annexation date, City Council Action (include listing of APNs)
8.		Letter of Intent (if required) executed and notarized
8.		Annexation Fee
9.		Unanimous Approval (executed by the property owner, form shall be notarized). Insert legal description for the property to be developed. (see sample)
10.		Documentation indicating the person(s) signing all documents is so authorized

Please also visit the City of Escondido CFD webpage:

<https://www.escondido.org/community-facilities-districts.aspx>