

**CITY OF HERCULES RESOLUTION NO. 24-\_\_\_\_\_**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HERCULES  
AUTHORIZING THE CITY MANAGER TO APPROVE SCIP 24-01, AN APPLICATION  
SUBMITTED BY D.R. HORTON BAY, INC. TO UTILIZE THE SCIP PROGRAM FOR  
CERTAIN DEVELOPMENT IMPACT FEES AND IMPROVEMENTS FOR THE OWL  
RANCH SUBDIVISION**

**WHEREAS**, the City of Hercules is a Program Participant of the Statewide Community Infrastructure Program (“SCIP”) which allows the financing of certain public capital improvements to be constructed by or on behalf of property owners for acquisition by the City or another public agency (the “Improvements”) and improvements eligible for funding from certain development impact fees, capacity fees and/or other development related charges (the “Fees”) levied in accordance with the Mitigation Fee Act (California Government Code Sections 66000 and following) and other authority providing for the levy of fees on new development to pay for public capital improvements (collectively, the “Fee Act”) through the levy of special assessments pursuant to the Municipal Improvement Act of 1913 (Streets and Highways Code Sections 10000 and following) (the “1913 Act”) and the issuance of improvement bonds (the “Improvement Bonds”) under the Improvement Bond Act of 1915 (Streets and Highways Code Sections 8500 and following) (the “1915 Act”) upon the security of the unpaid special assessments; and

**WHEREAS**, the City of Hercules originally determined its participation in the SCIP program through Resolution 06-134 and later amended the parameters of participation to require City Council review and direction to the City Manager to approve or deny all complete SCIP applications through Resolution 17-039. The City Council adopted a restated and amended version of Resolution 17-039 immediately preceding on July 23, 2024 (Resolution 24-XX), which provides for expansion of the SCIP program and re-establishes the City’s participation; and

**WHEREAS**, the City of Hercules has received a complete SCIP application from D.R. Horton Bay, Inc. requesting to utilize the SCIP program to finance a portion of certain Development Impact Fees and Improvements, including the Park & Recreation Fee, Transportation Facilities Fee, Sewer Facilities Fee and West County Sub-Regional Transportation Mitigation Fee.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Hercules as follows:

Section 1. The City Council hereby authorizes the City Manager to approve the SCIP application submitted by D.R. Horton Bay, Inc. for the Owl Ranch subdivision dated June 27, 2024, thereby allowing its submittal to the California Statewide Communities Development Authority (CSCDA).

Section 2. In consideration of the Owl Ranch SCIP application, prior to the first home occupancy, D.R. Horton Bay, Inc. shall provide a \$40,000 voluntary payment to the City for community benefit items to be utilized at the City's discretion.

Section 3. The City Council finds that adoption of this Resolution is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines § 15061(b)(3) – the common sense exemption – because the action would only allow D.R. Horton to submit their SCIP application to CSCDA for financial processing and would not facilitate new construction or other groundbreaking activities. It can be seen with certainty that there is no possibility that the action will result in either a direct physical change to the environment or a reasonably foreseeable indirect physical change to the environment. Further, none of the circumstances described in CEQA Guidelines § 15300.2 applies. No unusual circumstances are present. This determination reflects the City of Hercules' independent judgment and analysis.

The foregoing Resolution was duly and regularly adopted at a regular meeting of the City Council of the City of Hercules held on the 23rd day of July 2024 by the following vote of the Council:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

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Dan Romero, Mayor

ATTEST:

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Eibleis Melendez  
City Clerk