

RESOLUTION NO. 2017-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKE ELSINORE, CALIFORNIA, ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2015-1 OF THE CITY OF LAKE ELSINORE (SAFETY SERVICES), DECLARING ITS INTENTION TO CONSIDER ANNEXING TERRITORY TO COMMUNITY FACILITIES DISTRICT NO. 2015-1 (ANNEXATION NO. 2) OF THE CITY OF LAKE ELSINORE (SAFETY SERVICES)

Whereas, on March 8, 2016, the City Council (Council) of the City of Lake Elsinore (City) adopted Resolution No. 2016-022 (Resolution of Intention), declaring its intention to establish Community Facilities District No. 2015-1 of the City of Lake Elsinore (Safety Services) ("Community Facilities District No. 2015-1" or the "District") pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (Act); and,

Whereas, after a duly noticed Public Hearing (Hearing), the Council adopted Resolution No. 2016-035 (Resolution of Formation) establishing Community Facilities District No. 2015-1 and calling a special election therein to authorize (i) the levy of special taxes pursuant to the Rate and Method of apportionment of the special tax, as set forth in Attachment "A" attached to the Resolution of Intention (Original Rate and Method), and (ii) the establishment of an appropriations limit for Community Facilities District No. 2015-1; and,

Whereas, the Council has received a petition from and signed by KB Homes California, LLC (Owner), requesting (i) the annexation of the territory within the boundaries set forth in Attachment "A", hereto (Annexation Territory) to the District; (ii) the levy of the special tax within the Annexation Territory in accordance with the Rate and Method of Apportionment of Special Tax attached as Attachment "C", hereto (Rate and Method), which Rate and Method is identical to the Original Rate and Method in all respects except that Appendix A thereto has been updated in accordance with the terms of the Original Rate and Method to reflect the annexation described herein and (iii) the waiving certain election requirements; and,

Whereas, the Annexation Territory is currently located within the City of Lake Elsinore Community Facilities District No. 2003-1 (Law Enforcement, Fire and Paramedic Services) (CFD No. 2003-1) and the Owner and the District desire to cancel the special tax lien of CFD No. 2003-1 on the Annexation Territory upon its annexation to the Community Facilities District No. 2015-1.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAKE ELSINORE, ACTING AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2015-1 (SAFETY SERVICES) (ANNEXATION NO. 2) DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. Each of the above recitals is true and correct.

Section 2. The Council declares its intention to conduct proceedings pursuant to the Act for the annexation to the District of the Annexation Territory.

Section 3. The map showing the original boundaries of the District designated as "Map of Proposed Boundaries of Community Facilities District No. 2015-1 of the City of Lake Elsinore (Safety Services)," which map is on file in the office of the City Clerk and was recorded pursuant to Sections 3111 and 3113 of the Streets and Highway Code in the City of County Book of Maps of

Assessment and Community Facilities Districts in the Assessor-County Clerk-Recorder's office of the County of Riverside in Book No. 79 Page No. 45-46, on March 14, 2016 as Instrument No. 2016-00978338.

The boundaries of the Annexation Territory proposed to be annexed to the District and be made subject to taxation are as shown on the annexation map set forth in Attachment "D" hereto (Boundary Map). The City Clerk is hereby directed to sign the boundary map and record it with all proper endorsements thereon with the County Recorder of the County of Riverside within 15 days after the adoption of this resolution, all as required by Section 3111 of the Streets and Highways Code of the State of California.

Section 4. The Services (as defined in the Rate and Method) proposed to be provided for the benefit of the Annexation Territory are public services as defined in the Act, and this Council finds and determines that the Services to be financed are in addition to those provided in the territory the Annexation Territory, at the present time and do not supplant services already available within the Annexation Territory at the present time. The Council hereby finds and determines that the description of the Services herein is sufficiently informative to allow taxpayers within the Annexation Territory, to understand what the funds of the District may be used to finance. The Services Incidental Expenses (as defined in the Rate and Method) expected to be incurred within the Annexation Territory are set forth in the Rate and Method. The amount and term of the special tax to be levied by the District within the Annexation Territory and the Services to be provided by the District within the Annexation Territory shall be identical to those within the original boundaries of the District.

Section 5. Except where funds are otherwise available, it is the intention of the Council to levy annually in accordance with the procedures contained in the Act a separate special tax, secured by recordation of a continuing lien against all nonexempt real property in the Annexation Territory, sufficient to pay for the Services and the Services Incidental Expenses. The Rate and Method of apportionment and manner of collection of the special taxes set forth in Attachment "C" allows each homeowner within the Annexation Territory to estimate the maximum amount that may be levied against each parcel.

The special taxes for Services may be increased based on the consumer price index by an amount not to exceed four percent per year to the extent permitted in the Rate and Method. The special tax for Services may be levied for such period as the Services are needed, as further described in Attachment "B" hereto.

The special taxes are based on the expected demand that each parcel of real property within the Annexation Territory will place on the Services. The Council hereby determines that the proposed Services are necessary to meet the increased demand placed upon the City and the existing police, fire, rescue and paramedic services in the City as a result of the development of the land proposed for annexation to the District. The Council hereby determines the Rate and Method of apportionment of the special taxes set forth in Attachment "C" to be reasonable. The special tax is apportioned to each parcel on the foregoing basis pursuant to Section 53325.3 of the Act and such special taxes are not on or based upon value or ownership of real property.

Section 6. A Hearing on the annexation of the Annexation Territory to the District, the levy of the special tax within the Annexation Territory in accordance with the Rate and Method to finance the Services shall be held at 7:00 p.m., or as soon thereafter as practicable, on April 11, 2017, at the City Cultural Center, 183 North Main Street, Lake Elsinore, California. Should the Council determine to annex the Annexation Territory to the District, a special election will be held to authorize the levy of the special taxes in accordance with the procedures contained in Government

Code Section 53326. If held, the proposed voting procedure at the election will be a landowner vote with each landowner who is the owner of record of land within Annexation Territory at the close of the Hearing, or the authorized representative thereof, having one vote for each acre or portion thereof owned within the Annexation Territory. Ballots for the special election may be distributed by mail or by personal service.

Section 7. The Council does not in to make any adjustment in property taxation pursuant to Sections 53313.6 and 53313.7 of the Act.

Section 8. At the time and place set forth above for the Hearing, any interested person, including all persons owning lands or registered to vote within the Annexation Territory, may appear to be heard.

Section 9. The City Clerk is hereby directed to publish a notice (Notice) of the Hearing pursuant to Section 6061 of the Government Code in a newspaper of general circulation published in the area of the Annexation Territory. The City Clerk is further directed to mail a copy of the Notice to each landowner within the Annexation Territory at least 15 days prior to the Hearing. The Notice shall contain the text or a summary of this Resolution, the time and place of the Hearing, a statement that the testimony of all interested persons or taxpayers will be heard, a description of the protest rights of the registered voters and landowners in the proposed district and a description of the proposed voting procedure for the election required by the Act. Such publication shall be completed at least seven days prior to the date of the Hearing.

Section 10. The Assistant City Manager is hereby directed to cause the recordation of a notice of cancellation and cessation of special t tax levy of CFD No. 2003-1 on the Annexation Territory contingent upon the annexation of the Annexation Territory to the District and the authorization by the eligible voters thereof of the Special Tax for Services within the Annexation Territory.

Section 11. This Resolution shall be effective upon its adoption.

Passed and Adopted at a Regular meeting of the City Council of the City of Lake Elsinore, California, on the 28th day of February, 2017.

Robert E. Magee, Mayor

ATTEST:

Susan M. Domen, MMC
City Clerk

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF LAKE ELSINORE)

I, Susan M. Domen, MMC, City Clerk of the City of Lake Elsinore, California, do hereby certify that Resolution No. 2017-____ was adopted by the City Council of the City of Lake Elsinore, California, at the Regular meeting of February 28, 2017, and that the same was adopted by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Susan M. Domen, MMC
City Clerk