

COUNTY OF SAN BENITO

Resolution No. _____

**RESOLUTION OF INTENTION TO ESTABLISH
COMMUNITY FACILITIES DISTRICT NO. 2018-1
(RESIDENTIAL SERVICES)
AND FUTURE ANNEXATION AREA**

WHEREAS, under the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing at Section 53311, of the California Government Code (the "Act"), the Board of Supervisors (the "Board") of the County of San Benito (the "County") is authorized to establish a community facilities district and to act as its legislative body; and

WHEREAS, this Board, having received petitions from the owners of not less than 10% of the area of land proposed to be included in the proposed community facilities district, now desires to proceed with the establishment of such community facilities district to finance costs of public safety services required to meet the demands of development of lands in the County; and

WHEREAS, pursuant to Section 53339.2 of the Act, this Board further desires to undertake proceedings to provide for future annexation of territory to the proposed community facilities district.

NOW, THEREFORE, be it resolved by the Board of Supervisors of the County of San Benito:

1. Authority. This Board proposes to conduct proceedings to establish a community facilities district pursuant to the Act, and hereby determines that public convenience and necessity require that a future annexation area be established pursuant to the Act.

2. Name of CFD; Future Annexation Area. The name proposed for the community facilities district is "County of San Benito Community Facilities District No. 2018-1 (Residential Services)" (the "CFD").

The name proposed for the territory proposed to be annexed into the CFD in the future is "County of San Benito Community Facilities District No. 2018-1 (Residential Services) (Future Annexation Area)" (the "Future Annexation Area").

3. Boundaries Described. The proposed boundaries of the CFD and the Future Annexation Area are as shown on the map of them on file with the Clerk of the Board, which boundaries are hereby preliminarily approved and to which map reference is hereby made for further particulars. The Clerk of the Board is hereby directed to record, or cause to be recorded,

the map of the boundaries of the CFD and the Future Annexation Area in the office of the County Recorder within 15 days of the date of adoption of this Resolution.

Parcels within the Future Annexation Area shall be annexed to the CFD only with the unanimous approval (each, a “Unanimous Approval”) of the owner or owners of each parcel or parcels at the time that parcel or those parcels are annexed, without any requirement for further public hearings or additional proceedings.

4. Services. The type of services proposed to be financed by the CFD and the Future Annexation Area and pursuant to the Act shall consist of those listed in Exhibit A hereto and hereby incorporated herein (the “Services”). The Board hereby determines that the Services are necessary to meet increased demands for such services placed upon local agencies as the result of development occurring within the area of the CFD and the Future Annexation Area.

The Services are in addition to those provided in the territory of the CFD and the Future Annexation Area as of the date hereof and will not supplant services already available within the territory of the CFD and the Future Annexation Area as of the date hereof. The County intends to provide the Services on an equal basis in the original territory of the CFD and, when it has been annexed to the CFD, the Future Annexation Area.

5. Special Tax. Except to the extent that funds are otherwise available to the CFD to pay for the Services, a special tax (the “Special Tax”) sufficient to pay the costs thereof, secured by recordation of a continuing lien against all non-exempt real property in the CFD, will be levied annually within the CFD, and collected in the same manner as ordinary ad valorem property taxes, or in such other manner as this Board or its designee shall determine, including direct billing of the affected property owners. The proposed rate and method of apportionment of the Special Tax among the parcels of real property within the CFD in sufficient detail to allow each landowner within the proposed CFD to estimate the maximum amount such owner will have to pay, are described in Exhibit B attached hereto and hereby incorporated herein (the “Rate and Method”). This Board hereby finds that the provisions of Section 53313.6, 53313.7 and 53313.9 of the Act (relating to adjustments to ad valorem property taxes and schools financed by a community facilities district) are inapplicable to the proposed CFD.

As required by Section 53339.3(d) of the Act, the Board hereby determines that the special tax proposed to pay for Services to be supplied within the Future Annexation Area shall be equal to any special tax levied to pay for the same Services in the existing CFD, except that a higher or lower tax may be levied within the Future Annexation Area to the extent that the actual cost of providing the Services in the Future Annexation Area is higher or lower than the cost of providing those Services in the existing CFD. In so finding, the Board does not intend to limit its ability to levy a special tax within the Future Annexation Area to provide new or additional services beyond those supplied within the existing CFD.

6. Exempt Property. Except as may otherwise be provided by law or by the rate and method of apportionment of the Special Tax for the CFD, all lands owned by any public entity, including the United States, the State of California, the County and/or the County, or any departments or political subdivisions thereof, shall be omitted from the levy of the Special Tax to

be made to cover the costs and expenses of the Services and the CFD. In the event that a portion of the property within the CFD shall become for any reason exempt, wholly or in part, from the levy of the Special Tax, this Board will, on behalf of the CFD, increase the levy to the extent necessary upon the remaining property within the CFD which is not exempt in order to yield the annual expenses of the CFD, if any, subject to the provisions of the rate and method of apportionment of the Special Tax.

7. Election and Unanimous Approval. The levy of the Special Tax in the CFD shall be subject to the approval of the qualified electors of the CFD at a special election. The proposed voting procedure shall be by mailed or hand-delivered ballot among the landowners in the proposed CFD, with each owner having one vote for each acre or portion of an acre such owner owns in the CFD.

A special tax shall be levied in the Future Annexation Area only with the Unanimous Approval of the owner or owners of each parcel or parcels at the time that parcel or those parcels are annexed, without any requirement for further public hearings or additional proceedings.

8. CFD Report. The County Administrator (or deputy or designee thereof) is hereby directed to study the proposed Services and to make, or cause to be made, and file with the Clerk of the Board a report in writing (the "CFD Report"), which shall be a part of the record of the public hearing hereinafter specified and which report shall present the following:

(a) A description of the Services that will be required to adequately meet the needs of the CFD.

(b) An estimate of the fair and reasonable cost of the Services and incidental expenses in connection therewith, and all other related costs.

The CFD Report shall be made a part of the record of the public hearing specified below.

9. Public Hearing. Tuesday, September 11, 2018, at 9:00 a.m. (which date is at least 30 days and not more than 60 days after the date of this Resolution) or as soon thereafter as possible in the Board of Supervisors Chambers located at in the County Administration Building, 481 4th Street, Hollister, California, be, and the same are hereby appointed and fixed as the time and place when and where this Board, as legislative body for the CFD, will conduct a public hearing on the establishment of the CFD and consider and finally determine whether the public interest, convenience and necessity require the formation of the CFD, the Future Annexation Area and the levy of the Special Tax.

10. Notice of Hearing. The Clerk of the Board is hereby directed to cause notice of the public hearing to be given by publication one time in a newspaper published in the area of the CFD and the Future Annexation Area. The publication shall be completed at least 7 days before the date of the public hearing specified above. The Clerk of the Board may also cause notice of the hearing to be given to each property owner within the CFD by first class mail, postage prepaid, to each such owner's address as it appears on the most recent tax records of the County or as otherwise known to the Clerk of the Board to be correct. Such mailing shall be completed

not less than 15 days before the date of the public hearing. The notice of the public hearing shall be substantially in the form specified in Section 53322 of the Act, with the form summarizing the provisions hereof hereby specifically approved.

11. Further Action. The Board of Supervisors, County Administrator, County Counsel, Clerk of the Board and all other officers and agents of the County are hereby authorized and directed to take all actions necessary or advisable to give effect to the transactions contemplated by this Resolution.

12. Effective Date. This resolution shall take effect upon its adoption.

PASSED AND ADOPTED, by the San Benito County Board of Supervisors at a regular meeting of said Board held on the 8th day of August 2018, by the following vote:

AYES: SUPERVISORS
NOES: SUPERVISORS
ABSTAIN: SUPERVISORS

Anthony Botelho,
Chair

ATTEST:

By: _____
Janet Slibsager
Clerk of the Board

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
Barbara Thompson
County Counsel

Date: _____

EXHIBIT A

COUNTY OF SAN BENITO Community Facilities District No. 2018-1 (Residential Services)

DESCRIPTION OF SERVICES

Services:

The services to be funded, in whole or in part, by the community facilities district (the "District") include all direct and incidental costs related to providing for the maintenance of public infrastructure within the area of the District, the future annexation area, and areas adjacent to or in the vicinity of such areas. More specifically, the services shall include, but not be limited to: (i) police, fire and related paramedic services of the County of San Benito required to sustain the public safety service delivery capability for emergency and non-emergency services including related facilities, equipment, vehicles, fire apparatus, services, supplies and personnel; (ii) recreation program services and library services; (iii) maintenance and lighting of parks, parkways, streets, roads and open space; (iv) flood and storm protection services; as well as the provision of other public services authorized to be funded under Section 53313 of the California Government Code. The District may fund any of the following related to the services described in the preceding sentence: obtaining, constructing, furnishing, operating and maintaining equipment, apparatus or facilities related to providing the services and/ or equipment, apparatus, facilities or fixtures in areas to be maintained, paying the salaries and benefits of personnel necessary or convenient to provide the services, payment of insurance costs and other related expenses and the provision of reserves for repairs and replacements and for the future provision of services. It is expected that the services will be provided by the City, either with its own employees or by contract with third parties, or any combination thereof.

The services to be financed by the District are in addition to those provided in the territory of the District before the date of creation of the District, and will not supplant services already available within that territory when the District is created.

Administrative Expenses:

The administrative expenses to be funded by the District include the direct and indirect expenses incurred by the City in carrying out its duties with respect to the District (including, but not limited to, the levy and collection of the special taxes) including the fees and expenses of attorneys, any fees of the County of San Benito related to the District or the collection of special taxes, an allocable share of the salaries of the County staff directly related thereto and a proportionate amount of the County's general administrative overhead related thereto, any amounts paid by the County from its general fund with respect to the District or the services authorized to be financed by the District, and expenses incurred by the County in undertaking action to foreclose on properties for which the payment of special taxes is delinquent, and all other costs and expenses of the County in any way related to the District.

Other:

The incidental expenses that may be funded by the District include, in addition to the administrative expenses identified above, the payment or reimbursement to the County of all costs associated with the establishment and administration of the District.

EXHIBIT B

**COUNTY OF SAN BENITO
Community Facilities District No. 2018-1
(Residential Services)**

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

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