

CITY OF YUBA CITY
STAFF REPORT

Date: July 6, 2021
To: Honorable Mayor & Members of the City Council
From: Public Works Department
Presentation by: Diana Langley, Public Works Director

Summary

Subject: Formation of a Community Facilities District (CFD No. 2021-1) to fund Municipal Services and provide for future annexation within a certain area by unanimous written consent of the electors

Recommendation:

- A. Hold a joint Public Hearing for the formation of CFD 2021-1 and a future annexation area thereto, the proposed services to be funded, and the proposed special tax formula.
- B. Adopt a Resolution of Formation to establish CFD 2021-1 and the future annexation area and to authorize the levy of a special tax within the district to finance certain services.
- C. Adopt a Resolution calling an election with respect to special taxes to be levied on territory within CFD 2021-1, authorizing the levy of a special tax, and submitting the levy of tax to the qualified electors.
- D. Hold an election Public Hearing for the special taxes within the District on the Initial Property (Dunn Ranch Estates – Unit 1 Subdivision, Tentative Subdivision Map No. 20-06) into CFD 2021-1.
- E. Adopt a Resolution making certain findings, and declaring and certifying the results of an election approving special taxes in CFD 2021-1.
- F. Waive reading and adopt an Ordinance authorizing the levy of a special tax within CFD 2021-1.

Fiscal Impact: This CFD will provide \$485.80 per single family unit and \$354.35 per multi-family residential unit annually, with provisions for inflation factor increases.

Purpose:

To ensure new residential development pays for its impact on City services through a Community Facilities District (CFD).

Background:

The City's standard Development Agreement and Conditions of Approval for new residential development include a requirement that the development pay for operations and/or maintenance for police, fire, parks, drainage, and ongoing street maintenance costs. These conditions may be satisfied through participation in a Mello-Roos CFD, by payment of cash in an amount agreed to by the City, by another secure funding mechanism acceptable to the City, or by some combination of those mechanisms.

The Mello-Roos Community Facilities Act of 1982 (Act) provides a mechanism for cities to form CFDs in order to finance the provision of certain municipal services. The types of services that may be provided by a CFD are as follows:

- Police
- Fire
- Recreation and Library
- Maintenance of parks, parkways and open space
- Maintenance of Roadways
- Flood and storm protection services
- Hazardous substance removal or remediation

On May 18, 2021, Council adopted Resolution 21-047 establishing policies related to CFDs for services. At this same meeting, Council adopted Resolution 21-048 stating its intention to establish City of Yuba City Community Facilities District 2021-1 (Municipal Services) (CFD 2021-1), authorize the levy of a special tax within the district, and authorize the annexation of future territory into the future annexation area by unanimous written approval ("Resolution of Intention"). This Resolution also set a joint public hearing on forming CFD 2021-1 and the future annexation area for July 6, 2021.

On August 26, 2020, the Planning Commission approved Tentative Map SM 20-06 to subdivide three 19.17-acre parcel into 68 single family residential parcels and 5 office-commercial parcels located north of State Route 20, west of the Live Oak Canal, east of Royo Ranchero Drive, and south of Monroe Road. Planning Commission Condition of Approval No. 30 contains the requirement to pay for operations and/or maintenance for police, fire, parks, drainage, and ongoing street maintenance costs. The developer has filed a petition requesting to join Community Facilities District 2021-1 to satisfy this condition. The petition also contains certain time period waivers for conduct of an election related to the CFD as allowed under the Mello Roos Act.

Analysis:

The first property (Initial Property) proposed to be part of CFD 2021-1 and subject to the special taxes therein is the proposed Dunn Ranch Estates – Unit 1 Subdivision (56 residential lots) at the southeast corner of Royo Ranchero Drive and Monroe Drive, as identified in the Resolution of Intention (Attachment 6, Exhibit A). CFD 2021-1 will be formed if there is no majority written protest at the Public Hearing. Following the Public Hearing, an election will be held on the special taxes within CFD 2021-1. The special tax formula is described in the Resolution of Intention and the Resolution of Formation. At the election, two thirds of the electors/property owners must vote affirmatively in order to adopt the special taxes within that area. The election will be held as a landowner vote as there are currently no residents on the property and no

registered voters within the area of the undeveloped land. The property owner in its petition (Attachment 7) waived time periods for conducting the election so it could be held the same date as the Public Hearing.

CFD 2021-1 is also proposed to include a Future Annexation Area. The Future Annexation Area consists of several undeveloped, residential zoned properties generally in the western and southern Yuba City Urbanized Area, as identified in the Resolution of Intention (Attachment 6, Exhibit B). The Future Annexation Area will allow property owners in the future to annex to the district by unanimous written consent. This will make the process quicker and only entail one meeting. Alternatively, other properties could annex with a ballot proceeding and vote in the future to the extent they are not included in the future annexation area. Future annexations this way would take more time (around 45-90 days) than those with unanimous written consent.

In Resolution 21-048, Council directed the preparation of the Report for the District to show the services to be provided in the District. The Hearing Report for CFD 2021-1 (Attachment 3) follows the same methodology used in the formation of CFD 2017-1, which initially established a maximum levy of \$425 annually per single family residential unit with an escalation factor equal to the percentage escalation of the City's combined Police and Fire Department budgets, up to a maximum escalation of 4 percent. The current levy in fiscal year 2021/22 is \$485.80 annually per single family residential unit and \$354.35 annually per multi-family residential unit, which will be subject to future escalation in accordance with the rate and method of apportionment of the special tax. The CFD 2021-1 and Future Annexation Area generally covers the same area as CFD 2017-1. Future properties will only be annexed into one of the districts, likely CFD No. 2021-1.

To complete the formation of CFD 2021-1, the City must sequentially hold a Public Hearing on the formation of the district and the future annexation area, adopt a Resolution of Formation, adopt a Resolution calling for an election, conduct an election Public Hearing of the qualified electors, and then adopt a Resolution certifying the election results. Finally, the City will consider an Ordinance levying the tax for the future.

Fiscal Impact:

A total of 56 residential parcels are contained in Dunn Ranch Estates – Unit 1 resulting in a total current annual levy of \$27,204.80, based on fiscal year 2021/22 rates.

The developer is responsible for covering the costs of forming the CFD.

Alternatives:

- A. Do not authorize the formation of CFD 2021-1 and direct staff on other acceptable means of assuring this development contributes it fair share of impacts to services.
- B. Require staff to develop an alternative method of rate and apportionment for CFD 2021-1.

Recommendation:

- A. Hold a joint Public Hearing for the formation of CFD 2021-1 and a future annexation area thereto, the proposed services to be funded, and the proposed special tax formula.

- B. Adopt a Resolution of Formation to establish CFD 2021-1 and a future annexation area and to authorize the levy of a special tax within the district to finance certain services.
- C. Adopt a Resolution calling an election with respect to special taxes to be levied on territory within CFD 2021-1, authorizing the levy of a special tax, and submitting the levy of tax to the qualified electors.
- D. Hold an election Public Hearing for the special taxes within the District on the Initial Property (Dunn Ranch Estates – Unit 1 Subdivision, Tentative Subdivision Map No. 20-06) into CFD 2021-1.
- E. Adopt a Resolution making certain findings, and declaring and certifying the results of an election approving special taxes in CFD 2021-1.
- F. Waive reading and adopt an Ordinance authorizing the levy of a special tax within CFD 2021-1.

Attachments:

- 1. Resolution of Formation and Authorization of Levy of Special Tax
 - a) Exhibit A – List of Services
 - b) Exhibit B – Rate and Method of Apportionment
- 2. Resolution Calling Election
 - a) Exhibit A – Form of Ballot
- 3. Resolution Declaring and Certifying Election Results
 - a) Exhibit A – Certificate of Election Official as to Canvass of Election
- 4. Ordinance Levying Tax.
 - a) Exhibit A – Rate and Method of Apportionment
- 5. Hearing Report for CFD 2021-1
 - a) Exhibit A – Hearing Report for CFD 2017-1
 - b) Exhibit B – List of Authorized Services
 - c) Exhibit C – Rate and Method of Apportionment
 - d) Exhibit D – Map of Parcels within CFD Boundary
 - e) Exhibit E – Map of Future Annexation Area
- 6. Resolution of Intention
- 7. Petition of Property Owner

Prepared by:

Submitted by:

/s/ Kevin Bradford

Kevin Bradford
Deputy Public Works Director – Engineering

/s/ Dave Vaughn

Dave Vaughn
City Manager

Reviewed by:

Department Head

DL

Finance

SM

City Attorney

SLC by email

ATTACHMENT 1

RESOLUTION NO. _____

A RESOLUTION OF FORMATION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY TO ESTABLISH COMMUNITY FACILITIES DISTRICT NO. 2021-1 (MUNICIPAL SERVICES) AND THE FUTURE ANNEXATION AREA AND TO AUTHORIZE THE LEVY OF A SPECIAL TAX WITHIN THE DISTRICT TO FINANCE CERTAIN SERVICES

WHEREAS, on May 18, 2021, this Council adopted a resolution entitled "A Resolution Of The City Council Of The City Of Yuba City Declaring Its Intention To Establish Yuba City Community Facilities District No. 2021-1 (Municipal Services), To Authorize The Levy Of A Special Tax Therein To Finance Certain Services And To Authorize The Annexation Of Future Territory In The Future Annexation Area To The District By Unanimous Written Approval" (the "Resolution of Intention"), stating its intention to form Yuba City Community Facilities District No. 2021-1 (Municipal Services) (the "CFD"), pursuant to Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with Section 53311, of the California Government Code (the "Act") and a future annexation area to the CFD ("Future Annexation Area"); and

WHEREAS, the Resolution of Intention, setting forth a description of the proposed boundaries of the CFD and Future Annexation Area, services to be financed by the CFD ("Services") and Future Annexation Area, including incidental expenses, and the rate and method of apportionment (the "Rate and Method") of the special tax (the "Special Tax") to be levied within the CFD to pay for the Services, is on file with the City Clerk and the provisions thereof are incorporated herein by this reference as if fully set forth herein; and

WHEREAS, the Resolution of Intention set July 6, 2021, as the date for the joint public hearing on the establishment of the CFD, the extent of the CFD, the Future Annexation Area, the furnishing of the Services within the CFD, and the proposed Rate and Method; and

WHEREAS, a notice of the public hearing to be held on July 6, 2021 was published in accordance with the Act; and

WHEREAS, on this date, this Council held noticed joint public hearing as required by the Act and the Resolution of Intention relative to the proposed formation of the CFD and the Future Annexation Area; and

WHEREAS, at the hearing all interested persons desiring to be heard for or against the establishment of the CFD, the extent of the CFD, the furnishing of the Services and the Rate and Method and the Future Annexation Area were heard and a full and fair hearing was held; and

WHEREAS, at the hearing evidence was presented to this Council on such matters before it, including a special report (the "Hearing Report") as to the Services to be provided through the CFD and the costs thereof, a copy of which is on file with the City Clerk, and this Council, at the conclusion of said hearing, is fully advised in the premises; and

WHEREAS, written protests with respect to the formation of the CFD, the furnishing of specified types of services and the Rate and Method have not been filed with the City Clerk by fifty percent (50%) or more of the registered voters residing within the territory of the CFD or property owners of one-half (1/2) or more of the area of land within the CFD and not exempt from the proposed special taxes; and

WHEREAS, written protests with respect to the Future Annexation Area, the furnishing of specified types of services and the Rate and Method have not been filed with the City Clerk by fifty percent (50%) or more of the registered voters residing within the territory of the CFD or Future Annexation Area or property owners of one-half (1/2) or more of the area of land within the CFD or Future Annexation Area and not exempt from the proposed special taxes; and

WHEREAS, the Special Tax proposed to be levied in the CFD to pay for the proposed services has not been eliminated by protest by fifty percent (50%) or more of the registered voters residing within the territory of the CFD or the owners of one-half (1/2) or more of the area of land within the CFD and not exempt from the special taxes; and

WHEREAS, the Special Tax proposed to be levied in the CFD and Future Annexation Area to pay for the proposed services has not been eliminated by protest by fifty percent (50%) or more of the registered voters residing within the territory of the CFD and Future Annexation Area or the owners of one-half (1/2) or more of the area of land within the CFD and Future Annexation Area and not exempt from the special taxes.

NOW, THEREFORE, be it resolved by the City Council of the City of Yuba City as follows:

Section 1. Recitals Correct. The foregoing recitals are true and correct.

Section 2. Public Hearing on CFD and Future Annexation Area. On this date, pursuant to notice thereof duly given as provided by law, the City Council held a joint public hearing with respect to the establishment of the CFD and Future Annexation Area and the annual levying of the Special Tax within the CFD and Future Annexation Area (once annexed) to pay for the Services.

Section 3. No Majority Protest for CFD and Future Annexation Area. The proposed services, CFD and Special Tax to be levied within the CFD and Future Annexation Area has not been precluded by majority protest pursuant to section 53324, 533324, 53328.1, 53339.5 and 53339.6 or any other provisions of the Act.

Section 4. Prior Proceedings Valid. All prior proceedings taken by this City Council in connection with the establishment of the CFD and Future Annexation Area and the levy of the Special Tax for Services have been duly considered and are hereby found and determined to be valid and in conformity with the Act.

Section 5. Name of the District. The community facilities district designated "City of Yuba City Community Facilities District No. 2021-1 (Municipal Services)" is hereby established pursuant to the Act.

Section 6. Name of the Future Annexation Area. The name of the Future Annexation Area shall be designated "Future Annexation Area of Community Facilities District No. 2021-1 (Municipal Services)." Each annexation of property within Future Annexation Area or generally if annexed to the CFD shall be designated as "Annexation No ___ to Community Facilities District No. 2021-1 (Municipal Services)" in as close to sequential order of annexation as practical.

Section 7. Boundaries of the CFD. The Resolution of Intention provides the boundaries of the territory proposed for inclusion in the CFD, as set forth in the map of the CFD heretofore recorded in the Sutter County Recorder's Office on _____, 2021, in Book __, at Page __, as Instrument No. _____ of Maps of Assessment and Community Facilities Districts.

Section 8. Boundaries of Future Annexation Area. The Resolution of Intention provides the boundaries of the territory proposed for inclusion in the Future Annexation Area, as set forth in the map of the Future Annexation Area heretofore recorded in the Sutter County Recorder's Office on _____, 2021, in Book __, at Page __, as Instrument No. _____ of Maps of Assessment and Community Facilities Districts.

Section 9. Description of Services. The Services proposed to be financed by the CFD and pursuant to the Act shall consist of those items shown in Exhibit "A" hereto and by this reference incorporated herein.

Section 10. Special Tax.

- a. The Resolution of Intention provides the boundaries of the territory proposed for inclusion in the Future Annexation Area, as set forth in the map of the Future Annexation Area heretofore recorded in the Sutter County Recorder's Office on _____, 2021, in Book __, at Page __, as Instrument No. _____ of Maps of Assessment and Community Facilities Districts.
- b. The proposed Rate and Method, in sufficient detail to allow each landowner within the proposed CFD to estimate the maximum amount such owner will have to pay, is shown in Exhibit "B" attached hereto and hereby incorporated herein.

Section 11. Hearing Report. The Hearing Report is hereby approved and is made a part of the record of the public hearing regarding the formation of the CFD, and is ordered to be kept on file with the City Clerk as part of the transcript of these proceedings.

Section 12. Increased Demands. It is hereby found and determined that the Services are necessary to meet increased demands placed upon local agencies, including the City, as the result of development occurring in the CFD and Future Annexation Area.

Section 13. Responsible Official. The City Manager of the City of Yuba City, located at 1201 Civic Center Boulevard, Yuba City 95993, or his/her designee, is the officer of the City who will be responsible for preparing annually a current roll of the levy of the Special Tax obligations by assessor's parcel number and who will be responsible for estimating future levies of the Special Tax.

Section 14. Tax Lien. Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the California Streets and Highways Code, a continuing lien to secure each levy of the Special Tax shall attach to all nonexempt real property in the CFD and this lien shall continue in force and effect until the lien is canceled in accordance with law or until collection of the Special Tax by the CFD ceases. An amended notice of lien shall be recorded with each annexation in the Future Annexation Area.

Section 15. Description of Voting Procedures. The voting procedures to be followed in conducting the special election (the "Special Election") on the proposition of the annual levy of

the Special Tax and to establish an appropriations limit for the CFD, if the CFD is established, shall be as follows:

- a. If at least 12 persons have been registered to vote within the territory of the CFD for each of the 90 days preceding the close of the public or protest hearing (the "protest hearing"), the vote in the Special Election shall be by the registered voters of the CFD with each voter having one vote. In that event, the Special Election shall be conducted by the City Clerk, and shall be held on a date selected by the City Council in conformance with the provisions of Section 53326 of the Act and pursuant to the provisions of the California Elections Code governing elections of cities, insofar as they may be applicable, and pursuant to said Section 53326 the ballots for the Special Election shall be distributed to the qualified electors of the CFD by mail (or overnight) with return postage prepaid or by personal service, and the Special Election shall be conducted as a mail ballot election.
- b. If 12 persons have not been registered to vote within the territory of the CFD for each of the 90 days preceding the close of the protest hearing, the vote in the Special Election is to be by the landowners of the CFD, with each landowner of record at the close of the protest hearing having one vote for each acre or portion of an acre of land that he or she owns within the CFD, the Special Election shall be conducted by the City Clerk pursuant Section 53326 of the Act as follows:
 - i. The Special Election shall be held on the earliest date, following the adoption by the City Council of this Resolution and a resolution calling the Special Election, to submit to the qualified electors of the CFD the proposition with respect to: (i) the levy of Special Tax to finance the Services and (ii) the establishment of an appropriations limit for the CFD.
 - ii. Pursuant to said Section 53326, the Special Election may be held earlier than 90 days following the close of the protest hearing if the qualified electors of the CFD waive the time limits for conducting the elections set forth in said Section 53326 by unanimous written consent and the Clerk concurs in such earlier election date as shall be consented to by the qualified electors.
 - iii. Pursuant to said Section 53326, ballots for the Special Election shall be distributed to the qualified electors by the Clerk by mail with return postage prepaid, or by personal service.
 - iv. Pursuant to applicable sections of the California Elections Code governing the conduct of mail ballot elections of cities, the City Clerk shall mail (or deliver) to each qualified elector an official ballot and shall also mail to all such qualified electors, the voter pamphlet containing instructions to voter, a return identification envelope with prepaid postage thereon (or overnight envelope) addressed to the City Clerk for the return of voted official ballots, and a copy of this Resolution and the exhibits hereto; provided, however, that analysis, arguments and notice regarding the ballot measure or other items may be waived with the unanimous consent of all the landowners, and in such event a finding regarding such waivers shall be made in the resolution adopted by the City Council calling the Special Election.

- v. The official ballot to be mailed (or delivered) by the Clerk to each landowner shall have printed or typed thereon the name of the landowner and the number of votes to be voted by the landowner and shall be in the form set out in the resolution calling the election.
- vi. The return identification envelope delivered by the Clerk to each landowner shall have printed or typed thereon the following: (i) the name of the landowner, (ii) the address of the landowner, (iii) a declaration under penalty of perjury stating that the voter is the landowner or the authorized representative of the landowner entitled to vote the enclosed ballot and is the person whose name appears on the identification envelope, (iv) the printed name and signature of the voter, (v) the address of the voter, (vi) the date of signing and place of execution of said declaration, and (vii) a notice that the envelope contains an official ballot and is to be opened only by the Clerk.
- vii. The instruction to voter form to be mailed or delivered by the Clerk to the landowners shall inform them that the official ballots shall be returned to the Clerk properly voted as provided thereon and with the signature certification appended thereto properly completed and signed in the sealed return identification envelope with the certification thereon completed and signed and all other information to be inserted thereon properly inserted no later than 6:00 p.m. on the date of the Special Election, or immediately after the Resolution Calling the Special Election is adopted.
- viii. Upon receipt of the return identification envelopes, which are returned prior to the voting deadline on the date of the Special Election, the Clerk shall canvass the votes cast in the Special Election, and shall file a statement with the City Council as to the results of such canvass and the election on each proposition set forth in the official ballot or such canvass shall take place at the meeting.
- ix. Certain notices and procedures above may be waived pursuant to the provisions of the Act or otherwise.

Section 16. Annexation Territory. Other property within the boundaries of the City may be annexed into the CFD pursuant to Article 3.5 of the Act and the Resolution of Intention. Property within the area designated as Future Annexation Area may be annexed by Unanimous Written Consent of the qualified of the Future Annexation Area when annexed. A form of unanimous written consent is attached to the Resolution of Intention and by this reference incorporated herein.

Section 17. Exempt Property. Except as provided in Section 53340.1 or other provisions of the Act and except for properties that a local agency is a landowner of within the meaning of subdivision (f) of Section 53317 of the Act, pursuant to Section 53340 of the Act, properties of entities of the state, federal and local governments shall be exempt from the levy of the Special Tax. Reference is hereby made to the Rate and Method for a description of other properties or entities that are expressly exempted from the levy of the Special Tax.

Section 18. Appropriations Limit. An appropriations limit for the CFD is hereby established at \$1,700,000, subject to voter approval, as an amount equal to all the proceeds of the Special

Tax collected annually within such CFD and as defined by Article XIII B of the California Constitution, as adjusted for changes in the cost of living and changes in population.

Section 19. Special Tax Accountability Measures. Pursuant to and in compliance with the provisions of Government Code Section 50075.1, the City Council hereby establishes the following accountability measures pertaining to the levy by the CFD of the Special Tax described in Section 8 above:

- a. The Special Tax shall be levied for the specific purposes set forth in Section 9 hereof.
- b. The proceeds of the levy of the Special Tax shall be applied only to the specific purposes set forth in Section 9 hereof.
- c. The CFD shall establish an account or accounts into which the proceeds of such Special Tax shall be deposited.
- d. The City Manager, or his or her designee, acting for and on behalf of the CFD, shall annually file a report with the City Council as required pursuant to Government Code Section 50075.3.

Section 20. Effective Date. This resolution shall take effect upon its adoption.

The foregoing Resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 6th day of July 2021.

AYES:

NOES:

ABSENT:

ATTEST

Marc Boomgaarden, Mayor

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY

Shannon L. Chaffin, City Attorney
Aleshire & Wynder, LLP

Attachment(s):

Exhibit A – List of Services

Exhibit B – Rate and Method of Apportionment

EXHIBIT "A"

LIST OF SERVICES

The Services to be funded by the CFD include the following services and all incidental expenses related to such services, all of which are authorized by the Act:

PUBLIC SERVICES

- (a) Police protection services;
- (b) Fire protection and suppression services, ambulance and paramedic services;
- (c) maintenance of parks, parkways, streets, roads, and open space;
- (d) flood and storm protection services, including but not limited to the maintenance of storm drainage systems and sandstorm protection systems,
- (e) Services with respect to the removal or remedial action for the cleanup of any hazardous substance released or threatened to be released into the environment, subject to the limitations contained in Section 53313 of the Act;
- (f) Maintenance and operation of any real property or other tangible property with an estimated useful life of five or more years that is owned by the local agency or by another local agency pursuant to an agreement entered into under Section 53316.2; and
- (g) costs incurred by the City and/or County in formation of the district, annexation and annual contract administration.

In accordance with Section 53313 of the Act, the additional services may not supplant services available within the territory when the district was created or annexed.

The same types of services which are authorized to be financed by CFD No. 2021-1 are the types of services to be provided in the Future Annexation Area, as properties are annexed.

The services include operational and maintenance costs associated with providing such services.

EXHIBIT "B"

**CITY OF YUBA CITY
COMMUNITY FACILITIES DISTRICT NO. 2021-1
(MUNICIPAL SERVICES)
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX**

A Special Tax applicable to each Assessor's Parcel in Community Facilities District No. 2021-1 (Municipal Services) [herein "CFD No. 2021-1"] shall be levied and collected according to the tax liability determined by the City Council, acting in its capacity as the legislative body of CFD No. 2021-1, through the application of the appropriate Special Tax rate, as described below. All of the property in CFD No. 2021-1, unless exempted by law or by the provisions of Section E below, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acreage" or **"Acre"** means the land area making up an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable final subdivision map or other parcel map recorded at the County Recorder's Office.

"Administrative Expenses" means the costs incurred by the City to determine, levy and collect the Special Tax, including salaries of City employees and fees of consultants and the costs of collecting installments of the Special Taxes upon the general tax rolls; preparation of required reports, and any other costs required to administer the CFD No. 2021-1 as determined by the Finance Director.

"Administrator" means the person or firm designated by the City to administer the Special Taxes according to this Rate and Method of Apportionment of Special Tax.

"Annual Tax Escalation Factor" means an annual increase in the Maximum Special Tax following the Base Year in an amount not to exceed four percent (4%). The Annual Tax Escalation Factor shall be based on the budgeted escalation of the City of Yuba City's combined Police and Fire Departments from the previous fiscal year.

"Assessor's Parcel" or **"Parcel"** means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor designating parcels by Assessor's Parcel number.

"Authorized Services" means the public services authorized to be funded by CFD No. 2021-1 as set forth in the documents adopted by the City Council when the CFD No. 2021-1 was formed.

"Base Year" means Fiscal Year 2020-2021.

"City" means the City of Yuba City.

"City Council" means the City Council of the City of Yuba City, acting as the legislative body of CFD No. 2021-1.

"County" means Sutter County, California.

"Developed Residential Property" means, in any Fiscal Year, all Parcels of Taxable Property for which a use permit or building permit for new construction of a residential structure was issued prior to June 30 of the preceding Fiscal Year.

"Finance Director" means the Finance Director for the City or his or her designee or successor.

"Fiscal Year" means the period starting on July 1 and ending on the following June 30.

"Maximum Special Tax" means the maximum Special Tax determined in accordance with Section C below that can be levied on Taxable Property in any Fiscal Year.

"Multi-Family Property" means, in any Fiscal Year, all units in CFD No. 2021-1 for which a building permit was issued or may be issued for construction of a residential structure with multiple units that share common walls, all of which are offered for rent to the general public.

"Public Property" means any property within the boundaries of CFD No. 2021-1 that is owned by the federal government, State of California, County, City, or other public agency.

"Residential Unit(s)" means an individual lot of land for which a building permit could be issued to construct one or more residential dwelling units.

"Residential Property" means all Assessor's Parcels of Taxable Property for which a map has been recorded designating individual Residential Units.

"Non-Residential Property" means all Assessor's Parcels of Taxable Property within the boundaries of CFD No. 2021-1 for which a map has been recorded designating the Assessor's Parcel as a lot for which a building permit could be issued and the Assessor's Parcel cannot be classified as a Residential Property.

"Special Tax" means any tax levied to pay for Authorized Services and Administrative Expenses.

"Single Family Property" means buildings containing one dwelling unit located on a single lot that are individually owned, including attached or detached residences (i.e., townhome unit and/or condominium units).

"Taxable Property" means all Assessor's Parcels within the boundaries of CFD No. 2021-1 designated as Developed Residential Property.

"Undeveloped Residential Property" means all Parcels of Residential Property within the boundaries of CFD No. 2021-1 that are not Developed Residential Property, as determined by the Administrator.

"Unit" means an individual single family detached unit or an individual residential unit within a duplex, triplex, fourplex, townhome, condominium, or apartment structure.

CATEGORIZING PARCELS FOR ANNUAL TAX LEVY

Each Fiscal Year, the Administrator shall identify the current Assessor's Parcel numbers for all Parcels within CFD No. 2021-1, and each parcel shall be classified as Developed Residential Property, Non-Residential Property, Public Property, or Undeveloped Residential Property, and shall be subject to the levy of annual Special Taxes determined pursuant to Sections C and D below.

B. MAXIMUM SPECIAL TAX RATE

All Taxable Property within the CFD No. 2021-1 shall be subject to a Maximum Special Tax that will be levied each Fiscal Year to pay for Authorized Services. As discussed above, the Administrator shall rely first on the Land Use Designation for a Parcel to determine the appropriate Maximum Special Tax in **Table 1**, below, but, in the absence of an assigned Land Use Designation, the Administrator shall refer to the Zoning Designation and land use to be built on the Parcel. The following Maximum Special Tax rates apply to all Parcels of Developed Property within CFD No. 2021-1:

Each Residential Unit is subject to the Maximum Special Tax shown in **Table 1**, below.

Non- Residential Property, Undeveloped Property, and Public Property is not subject to the Maximum Special Tax.

Table 1

| Property Land Use | Fiscal Year 2021/22 Maximum Special Tax Amount * |
|----------------------------------|---------------------------------------------------------|
| Single Family Property | \$485.80 per Single Family Residential Unit |
| Multi-Family Property | \$354.35 per Multi-Family Residential Unit |
| Undeveloped Residential Property | \$0 per Assessor's Parcel |

* Beginning July 1, 2022 and each July 1 thereafter, all of the Maximum Special Taxes shown in **Table 1** above shall be adjusted by applying the Annual Tax Escalation Factor.

C. METHOD OF LEVY AND COLLECTION OF SPECIAL TAX

Each Fiscal Year, the Administrator shall levy the Maximum Special Tax on each Parcel of Developed Property in CFD No. 2021-1. The Special Tax for CFD No. 2021-1 shall be collected in the same manner and at the same time as ordinary ad valorem property taxes provided, however, that CFD No. 2021-1 may (under the authority of Government Code Section 53340) in any particular case bill the taxes directly to the property owner off the County tax roll, and the Special Tax will be equally subject to foreclosure if delinquent.

D. LIMITATIONS

Notwithstanding any other provision of this Rate and Method of Apportionment of Special Tax, no Special Tax shall be levied on Public Property, Non-Residential Property, or Undeveloped Residential Property.

E. FUTURE ANNEXATIONS

It is anticipated that additional properties will be annexed to CFD No. 2021-1 from time to time. The property to be annexed will be assigned to the appropriate Maximum Special Tax rate for the Tract or Tracts when annexed, as pursuant to California Government Code section 53339 et seq.

In certain cases, it may be determined that a potential property to be annexed may require a higher cost to provide City services than other areas of the City (e.g., if it possesses a large quantity of City- owned infrastructure that requires maintenance). As each annexation is proposed, the City may elect to prepare an analysis to determine the annual cost for providing Services, and may incorporate unique zones with varying Maximum Special Tax rates. Such zones may be referred to by reference to a letter or number on the boundary map, and adjust the rates in Table 1 of such annexation to reflect the applicable rates.

The City may adopt a future annexation area in the future and allow for annexation by unanimous written consent.

F. INTERPRETATION OF SPECIAL TAX FORMULA

The City reserves the right to make minor administrative and technical changes to this document that do not materially affect the rate and method of apportioning the Special Tax. In addition, the interpretation and application of any section of this document shall be left to the City's discretion. Interpretations may be made by the City by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Tax.

G. TERM

The Special Tax shall be collected in perpetuity.

H. APPEALS

Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the Administrator not later than twelve months after having paid the first installment of the Special Tax that is disputed. The Administrator shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and rule on the appeal. If the decision of the Administrator requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the property owner, a cash refund shall not be made but an adjustment shall be made to the Special Tax on that Assessor's Parcel in the subsequent Fiscal Year(s) to compensate for the overpayment of the Special Tax.

ATTACHMENT 2

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
CALLING AN ELECTION WITH RESPECT TO SPECIAL TAXES TO BE LEVIED ON
TERRITORY WITHIN CITY OF YUBA CITY COMMUNITY FACILITIES DISTRICT 2021-1
(MUNICIPAL SERVICES), AUTHORIZING THE LEVY OF A SPECIAL TAX AND
SUBMITTING THE LEVY OF TAX TO THE QUALIFIED ELECTORS**

WHEREAS, the City Council of the City of Yuba City, California, on May 18, 2021, adopted Resolution No. 21-048 (the "Resolution of Intention") stating its intention to form City of Yuba City Community Facilities District No. 2021-1 ("CFD No. 2021-1"), pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Act") and a future annexation area related to the CFD No. 2021-1 ("Future Annexation Area"); and

WHEREAS, a copy of the Resolution of Intention, which states the authorized services to be provided and financed by CFD No. 2021-1, and a description and map of the proposed boundaries of the initial property ("Property") to be included in CFD No. 2021-1, and a map of proposed future territory ("Future Annexation Area"), is on file with the City Clerk and the provisions thereof are fully incorporated herein by this reference as if fully set forth herein; and

WHEREAS, on the 6th of July, 2021, this Council held a public hearing as required by the Act and the Resolution of Intention relative to the proposed CFD No. 2021-1 and the special taxes to be levied therein; and

WHEREAS, at said hearing all interested persons desiring to be heard on all matters pertaining to the CFD No. 2021-1 and the levy of said special taxes within the CFD No. 2021-1 were heard and a full and fair hearing was held; and

WHEREAS, prior to the time fixed for said hearing or at the hearing, written protests had not been filed against the formation of CFD No. 2021-1 by (i) 50% or more of the registered voters, or six registered voters, whichever is more, residing in CFD No. 2021-1, or (ii) 50% or more of the registered voters, or six registered voters, whichever is more, residing in the territory proposed to be part of the Future Annexation Area, or (iii) owners of one-half or more of the area of land in the territory within CFD 2021-1 and not exempt from special tax, or (iv), owners of one-half or more of the area of land in the territory proposed to be part of the Future Annexation Area and not exempt from the special tax; and

WHEREAS, pursuant to Resolution No. ___ adopted on the date hereof ("Resolution of Formation"), the City Council formed the CFD No. 2021-1 with the Property and established the Future Annexation Area and described the proposed voting procedure.

NOW, THEREFORE, be it resolved by the City Council of the City of Yuba City as follows:

Section 1. Recitals Correct. The City Council hereby specifically finds that all of the facts set forth in the recitals above of this Resolution are true and correct and incorporated herein.

Section 2. Prior Proceedings. All prior proceedings taken by this Council with respect to CFD No. 2021-1 and the proposed Future Annexation Area have been duly considered and are hereby determined to be valid and in conformity with the Act.

Section 3. Boundaries. The description and map of the boundaries of the territory to be included in CFD No. 2021-1, attached as Exhibit A to the Resolution of Intention is on file with the City Clerk, are hereby finally approved, are incorporated herein by reference.

Section 4. Services. CFD No. 2021-1 is authorized to finance the Services described in the Resolution of Intention and the Resolution of Formation, which resolutions are incorporated herein by this reference.

Section 5. Special Taxes. It is the intention of this City Council that, except where funds are otherwise available, a special tax sufficient to pay for said Services to be provided in CFD No. 2021-1, secured by recordation of a continuing lien against all non-exempt real property in CFD No. 2021-1, will be levied annually within the boundaries of CFD No. 2021-1 as described in the Resolution of Intention and the Resolution of Formation.

For particulars as to the rate and method of apportionment of the proposed special tax (the "Rate and Method"), reference is made to the Resolution of Formation and Exhibit B thereto, which sets forth in sufficient detail the method of apportionment to allow each landowner or resident within CFD No. 2021-1 to clearly estimate the maximum annual amount that said person will have to pay on said special tax.

Section 6. Election. The provisions of the Resolution of Intention and Resolution of Formation are by this reference incorporated herein as if fully set forth herein. In addition, the Council resolves as follows:

- a. Pursuant to the provisions of the Act, a measure of the levy of the special tax within CFD No. 2021-1 shall be submitted to the voters within the CFD No. 2021-1 at an election called therefor as hereinafter provided. This Council hereby finds that twelve (12) or more persons have not been registered to vote within CFD No. 2021-1 for each of the 90 days preceding the close of the hearing heretofore conducted and concluded by this Council for the purposes of these proceedings. Accordingly, and pursuant to Section 53326 of the Act, this Council finds that for purposes of these proceedings the qualified electors are the landowners within the CFD No. 2021-1 and that the vote shall be by said landowner(s), each having one vote for each acre or portion thereof such landowner owns in the CFD No. 2021-1.
- b. Pursuant to Section 53326 of the Act, the election shall be conducted by mail or hand-delivered ballot under applicable sections of the California Elections Code, commencing with Section 4000 of said code with respect to elections conducted by mail. Ballots may be delivered by mail or personal service. The Council hereby calls a special election to consider the measure described and incorporated in the form of ballot, attached as Exhibit "A," and by this reference incorporated herein, which election shall be held on July 6, 2021, (hereafter referred to as "Election Day") at 6 p.m. The City Clerk shall act as the election official to conduct the election and provide each landowner in the territory to be included within the CFD No. 2021-1, a ballot in the form of Exhibit "A", which form is hereby approved. The City Clerk shall accept the ballots of the qualified electors received prior to 6:00 p.m. on Election Day, whether received by mail or by personal delivery. The qualified electors may waive provisions related to the conduct of the election as permitted by the Act.

- c. This Council hereby further finds that the provision of Section 53326 of the Act requiring a minimum of 90 days to elapse before said election is for the protection of voters, has been waived by the voters and the date for the election hereinabove specified is established accordingly. The City Council also finds that any applicable notices of hearing or election have been waived by the sole landowner of the CFD No. 2021-1.
- d. The City Council hereby calls and schedules an election for July 6, 2021 at 6 p.m. or as soon thereafter as practical, on the measure of the annual levy of special taxes on taxable property within the CFD No. 2021-1 to finance municipal services within the CFD No. 2021-1, and on the establishment of an appropriations limit for CFD No. 2021-1.
- e. The Measure to be submitted to the voters of the CFD at such special election shall be as follows:

BALLOT MEASURE A

| | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| <p>Shall Measure A authorizing Yuba City Community Facilities District No. 2021-1 (Municipal Services) (CFD) to annually levy a special tax perpetually against residences within the CFD to pay for services at a rate up to \$485.80, as adjusted and as described in the City Council's resolutions adopted May 18, 2021 and July 6, 2021, to raise estimated revenue of \$27,204.80 per year from the initial property; and shall an appropriations limit per Article XIII, Section 8(h) of \$1,700,000, as adjusted annually, be adopted?</p> | <p>MARK "YES" OR "NO" WITH AN "X":</p> <p>YES: <input type="checkbox"/></p> <p>NO: <input type="checkbox"/></p> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|

Section 7. Procedures. The procedures to be followed in conducting the special election shall be as follows:

- a. Pursuant to Section 53326 of the California Government Code, ballots for the special election shall be distributed to the qualified electors by the City Clerk by mail or by personal service/hand delivery.
- b. Pursuant to applicable sections of the California Elections Code governing the conduct of mail ballot elections of cities, and in particular Division 4 (commencing with Section 4000) of that Code with respect to election conducted by mail, the City Clerk, or designated official, shall mail or deliver to each qualified elector an official ballot in the appropriate form, and shall also mail or deliver to all such qualified electors a ballot pamphlet, instructions to voter, and a return identification envelope addressed to the City Clerk for the return of voted official ballots. These requirements may be waived by the qualified elector.
- c. The official ballot to be mailed or delivered by the City Clerk to each landowner-voter shall have printed or typed thereon the name of the landowner-voter and the number of votes to be voted by the landowner-voter.

- d. The return identification envelope mailed or delivered by the City Clerk (or as part of the envelope and/or voter certification) to each landowner-voter shall have printed or typed thereon the following: (i) the name of the landowner, (ii) the address of the landowner, (iii) a declaration under penalty of perjury stating that the voter is the landowner or the authorized representative of the landowner entitled to vote the enclosed ballot and is the person whose name appears on the identification envelope, (iv) the printed name and signature of the voter, (v) the address of the voter, (vi) the date of signing and place of execution of the declaration, and (vii) a notice that the envelope contains an official ballot and is to be opened only by the City Clerk.
- e. The information to voter form to be delivered by the City Clerk to the landowner-voter shall inform them that the official ballot shall be returned to the City Clerk properly voted as provided thereon and with the certification appended thereto properly completed and signed in the sealed return identification envelope with the certification thereon completed and signed and all other information to be inserted thereon properly inserted by 6:00 p.m. on the 6th day of July, 2021; provided that if all qualified electors have voted, the election shall be closed with the concurrence of the City Clerk.
- f. Upon receipt of the return identification envelope, which are returned prior to the voting deadline on the date of the election of 6:00 p.m. on July 6, 2021, the City Clerk shall canvass the votes cast in the election, and shall file a statement with the City Council as to the results of such canvass and the election on the measure set forth in the official ballot.

Section 8. Certification. The City Clerk shall certify to the adoption of this resolution.

The foregoing Resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 6th day of July 2021.

AYES:

NOES:

ABSENT:

ATTEST

Ciara Wakefield, Deputy City Clerk

Marc Boomgaarden, Mayor

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY

Shannon L. Chaffin, City Attorney
Aleshire & Wynder, LLP

Attachment(s):

Exhibit A – Form of Ballot

EXHIBIT "A"

FORM OF BALLOT

**CITY OF YUBA CITY COMMUNITY FACILITIES DISTRICT NO. 2021-1
(MUNICIPAL SERVICES)
CITY OF YUBA CITY, COUNTY OF SUTTER, STATE OF CALIFORNIA**

**SPECIAL TAX ELECTION BALLOT,
SPECIAL ELECTION DATE: JULY 6, 2021**

This ballot is for the use of the authorized representative of the following owner of the land within City of Yuba City Community Facilities District No. 2021-1 (Municipal Services), City of Yuba City, County of Sutter, State of California ("the Community Facilities District"):

| Name of Landowner | Number of Acres Owned | Total Votes |
|-------------------|-----------------------|-------------|
| | | |

According to the provisions of the Mello-Roos Community Facilities Act of 1982, and resolutions of the City Council (the "Council") of the City of Yuba City (the "City"), the above-named Landowner is entitled to cast the number of votes shown above under the heading "Total Votes," representing the total votes for the property owned by the landowner.

In order to be counted, this ballot must be executed and certified below and be returned to the City Clerk, by mail or in person, to be received by the City Clerk prior to 6:00 p.m. on July 6, 2021 at the Office of the City Clerk, 1201 Civic Center Boulevard, Yuba City, California 95993.

Mailing by that time will not be sufficient. This ballot must be received by the time stated in order to be counted.

AN "X" OR OTHER MARK WILL CAST ALL VOTES ASSIGNED TO THIS BALLOT.
All distinguishing marks or erasures are forbidden and make the ballot void. If you wrongly mark, tear, or deface this ballot, return it to the City Clerk and obtain another.

BALLOT MEASURE A

| | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|
| <p>Shall Measure A authorizing Yuba City Community Facilities District No. 2021-1 (Municipal Services) (CFD) to annually levy a special tax perpetually against residences within the CFD to pay for services at a rate up to \$485.80, as adjusted and as described in the City Council's resolutions adopted May 18, 2021 and July 6, 2021, to raise estimated revenue of \$27,204.80 per year from the initial property; and shall an appropriations limit per Article XIII, Section 8(h) of \$1,700,000, as adjusted annually, be adopted?</p> | <p>MARK "YES" OR "NO" <u>WITH AN "X":</u></p> <p>YES: <input type="checkbox"/></p> <p>NO: <input type="checkbox"/></p> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------|

CERTIFICATION OF LANDOWNER

The undersigned is the above-named Landowner or the authorized representative of the above-named Landowner and is a person legally authorized and entitled to cast this ballot on behalf of the above-named Landowner.

The undersigned is the person who voted the official ballot, and if the landowner is other than a natural person, that he or she is an officer of or other person affiliated with the landowner entitled to vote such official ballot. The undersigned has been authorized to vote this official ballot on behalf of the Landowner, that in voting this official ballot it is my intent, as well as the intent of the Landowner, to vote all votes to which the Landowner is entitled based on its land ownership on the measure set forth in the official ballot as marked thereon in the voting square opposite each measure, and that the acreage listed as the acreage of Landowner's land ownership within the CFD is accurate.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on _____, 2021 and the representations will still be true and correct on July 6, 2021.

Signature

Print Name

ATTACHMENT 3

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
MAKING CERTAIN FINDINGS, DECLARING AND CERTIFYING THE RESULTS OF AN
ELECTION APPROVING SPECIAL TAXES IN CITY OF YUBA CITY COMMUNITY
FACILITIES DISTRICT NO. 2021-1 (MUNICIPAL SERVICES)**

WHEREAS, the City Council of the City of Yuba City (the "City Council"), pursuant to Resolution No. __, adopted on July 6, 2021, has formed a City of Yuba City Community Facilities District No. 2021-1 (Municipal Services) ("CFD No. 2021-1") pursuant to the provisions of the "Mello-Roos Community Facilities Act of 1982", being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California, said Article 3.5 thereof (the "Act"); and

WHEREAS, pursuant to Resolution No. __, the City Council, called an election within CFD NO. 2021-1 on July 6, 2021 ("Resolution Calling Election") for the purpose of presenting to the qualified electors within the initial territory within CFD No. 2021-1 (the Property"), a measure for the levy of a special tax and the establishment of an appropriations limit ("Measure") in accordance with the rate and method of apportionment method set forth in Exhibit "B" to the Resolution of Formation and the Resolution of Intention adopted on May 28, 2021 (the "Resolution of Intention"); and

WHEREAS, twelve (12) or more registered voters have not resided within the territory of CFD No. 2021-1 for each of the ninety (90) days preceding July 6, 2021, therefore, pursuant to the Act the qualified electors of CFD No. 2021-1 shall be the "landowners" of CFD No. 2021-1 as such term is defined in Government Code Section 53317(f) and each such landowner who is the owner of record, or the authorized representative thereof, shall have one vote for each acre or portion of an acre of land that she or he owns within; and

WHEREAS, the landowners of record within the territory of CFD No. 2021-1 as of the close of the public hearing held on July 6, 2021 unanimously consented to a waiver of the time limits for setting the election and a waiver of any written analysis, arguments or rebuttals as set forth in California Government Code sections 53326 and 53327. Such waivers are set forth in a written petition executed by the landowners which are on file with the City Clerk as election official (the "Election Official") concurring therein; and

WHEREAS, pursuant to the terms of the Resolution Calling Election and the provisions of the Act, the special election was held on July 6, 2021; and

WHEREAS, the City Clerk of the City of Yuba City has caused ballots to be distributed to the qualified electors of CFD No. 2021-1, has received and canvassed such ballots and made a report to the City Council regarding the results of such canvas, a copy of which is attached as Exhibit A hereto and incorporated herein by this reference; and

WHEREAS, at this time the measure voted upon and such measure did receive the favorable 2/3's vote of the qualified electors, and the City Council desires to declare the results of the election.

NOW, THEREFORE, be it resolved by the City Council of the City of Yuba City as follows:

1. The City Council hereby specifically finds that all of the facts set forth in the recitals above of this Resolution are true and correct and incorporated herein.

2. The canvass of the votes cast for the Property within the District at the special election held in the territory of CFD No. 2021-1 on July 6, 2021, as shown in the Certificate of the Election Official on Exhibit A hereto, is hereby approved and confirmed.

3. The Measure presented to the qualified electors of the CFD No. 2021-1 for receipt by the Election Official on July 6, 2021, has received a unanimous vote of the qualified electors voting at said election, and the Measure has carried. The City Council is hereby authorized to take the necessary steps to levy the special tax authorized by the Measure A in the area of CFD No. 2021-1.

4. The City Clerk is hereby directed to enter the title of this Resolution on the minutes of the legislative body and to indicate the official declaration of the result of such special election.

5. The City Council authorizes the levy of a special tax at the Rate and Method of Apportionment set forth in Exhibit B to the Resolution of Formation. The whole of the territory within CFD No. 2021-1 shall be subject to the special tax consistent with the provisions of the Act, an Ordinance of the City Council to be adopted (or which has been adopted) levying the special tax (the "Ordinance") and this Resolution. The terms of the Ordinance shall be applicable to CFD No. 2021-1 and to any parcels which in the future become a part of CFD No. 2021-1 by annexation by unanimous approval.

6. Pursuant to and in compliance with the provisions of Government Code Section 50075.1, the City Council shall abide by the accountability measures pertaining to the levy by the CFD No. 2021-1 of the Special Tax:

a. Such Special Tax with respect to the CFD No. 2021-1 shall be levied for the specific purposes set forth in the Measure.

b. The proceeds of the levy of such Special Tax shall be applied only to the specific purposes set forth in the Measure referred to therein.

c. The District has established an account or accounts into which the proceeds of such Special Tax shall be deposited.

d. The City Manager, or his or her designee, acting for and on behalf of the District, shall annually file a report with the City Council as required pursuant to Government Code Section 50075.3.

7. The boundaries and parcels of territory within CFD No. 2021-1 and on which special taxes will be levied in order to pay for the costs and expenses of authorized municipal services are shown on Map recorded in the Office of the Clerk of Sutter County.

8. The City Council, acting as the legislative body of CFD No. 2021-1, is hereby empowered to levy the authorized special tax within CFD No. 2021-1.

9. Immediately upon adoption of this Resolution, Notice of Special Tax shall be recorded in the Office of the County Recorder no later than fifteen (15) days after the date of adoption of

this Resolution or as soon thereafter as possible if not within the time period due to the COVID-19 pandemic.

10. The City Clerk shall certify to the adoption of this resolution.

The foregoing Resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 6th day of July 2021.

AYES:

NOES:

ABSENT:

ATTEST

Marc Boomgaarden, Mayor

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY

Shannon L. Chaffin, City Attorney
Aleshire & Wynder, LLP

Attachment(s):

Exhibit A – Certification of Election Official

EXHIBIT "A"

CERTIFICATE OF ELECTION OFFICIAL

**CITY OF YUBA CITY, CALIFORNIA
COMMUNITY FACILITIES DISTRICT NO. 2021-1
(MUNICIPAL SERVICES)
CFD NO. 2021-1**

**CERTIFICATE OF THE ELECTION OFFICIAL
AS TO THE RESULTS OF THE CANVASS OF THE ELECTION RETURNS**

STATE OF CALIFORNIA)
COUNTY OF SUTTER) §
CITY OF YUBA CITY)

I, _____, City Clerk in my capacity as Elections Official in the City of Yuba City, California, in its capacity as the legislative body of the City of Yuba City Community Facilities District No. 2021-1 (Municipal Services) (the "District"), DO HEREBY CERTIFY, that pursuant to the provisions of Section 53325.4 of the Government Code and Division 15, commencing with Section 15000 of the Elections Code of the State of California, I did canvass the return of the votes cast at the Special Tax Election on July 6, 2021, held in CFD No. 2021-1 to the District.

I FURTHER CERTIFY that the Statement of All Votes Cast, to which this certificate is attached, shows the total number of ballots cast within the Property for special taxes within the District for the Measure, and the totals of the respective columns and the totals as shown for the Measure are full, true and correct.

WITNESS my hand and Official Seal this 6TH day of July, 2021.

CITY OF YUBA CITY
COMMUNITY FACILITIES DISTRICT NO. 2021-1
(MUNICIPAL SERVICES)

By: _____
City Clerk

**CITY OF YUBA CITY
COMMUNITY FACILITIES DISTRICT NO. 2021-1
(MUNICIPAL SERVICES)
CFD NO. 2021-1**

**STATEMENT OF ALL VOTES CAST
SPECIAL TAX ELECTION
July 6, 2021**

| | Qualified Landowner <u> </u> Votes | Votes <u> </u> Cast | <u> </u> YES | <u> </u> NO |
|------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|--------------------------------|----------------------|---------------------|
| City of Yuba City, Community Facilities District No. 2021-1 (Municipal Services) of CFD No. 2021-1, Special Election, July 6, 2021 | | | | |

MEASURE A SUBMITTED TO VOTE OF VOTERS:

| | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Shall Measure A authorizing Yuba City Community Facilities District No. 2021-1 (Municipal Services) (CFD) to annually levy a special tax perpetually against residences within the CFD to pay for services at a rate up to \$485.80, as adjusted and as described in the City Council’s resolutions adopted May 18, 2021 and July 6, 2021, to raise estimated revenue of \$27,204.80 per year from the initial property; and shall an appropriations limit per Article XIII, Section 8(h) of \$1,700,000, as adjusted annually, be adopted? | MARK “YES” OR “NO” <u>WITH AN “X”:</u> YES: <input style="width: 50px; height: 25px; margin-left: 10px;" type="checkbox"/> NO: <input style="width: 50px; height: 25px; margin-left: 10px;" type="checkbox"/> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

ATTACHMENT 4

ORDINANCE NO. _____

**ORDINANCE OF THE CITY COUNCIL OF THE CITY OF YUBA CITY ACTING IN ITS
CAPACITY AS THE LEGISLATIVE BODY OF CITY OF YUBA CITY COMMUNITY
FACILITIES DISTRICT NO. 2021-1 (MUNICIPAL SERVICES) AUTHORIZING THE
LEVY OF A SPECIAL TAX WITHIN SAID DISTRICT**

WHEREAS, the City Council of the City of Yuba City (the "City Council"), pursuant to Resolution No. __, adopted on July 6, 2021 (the "Resolution of Formation"), has formed a City of Yuba City Community Facilities District No. 2021-1 (Municipal Services) ("CFD No. 2021-1") pursuant to the provisions of the "Mello-Roos Community Facilities Act of 1982", being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California, said Article 3.5 thereof (the "Act"); and

WHEREAS, pursuant to Resolution No. __, the City Council, called an election within CFD NO. 2021-1 on July 6, 2021 for the purpose of presenting to the qualified electors within the initial territory within CFD No. 2021-1 (the Property"), a measure for the levy of a special tax and the establishment of an appropriations limit in accordance with the rate and method of apportionment method set forth in Exhibit "B" to the Resolution of Formation and the Resolution of Intention adopted on May 28, 2021; and

WHEREAS, pursuant to Resolution No. ____, adopted on July 6, 2021 following the election, the City Council declared the results of the election authorizing the levy of a special tax within CFD No. 2021-1; and

WHEREAS, the City Council now desires to levy the special tax within the CFD No. 2021-1.

THE CITY COUNCIL OF THE CITY OF YUBA CITY DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. By the passage of this Ordinance, the City Council authorizes the levy of a special tax for CFD No. 2021-1 at the rate and formula set forth in Exhibit "B" to (the Resolution of Formation, and which for reference purposes is attached hereto as Exhibit "A", and incorporated herein by this reference. The CFD No. 2021-1 shall include all properties in the original CFD No. 2021-1 subject to the special taxes and all future annexations once such properties are annexed to the CFD No. 2021-1 by unanimous written approval or otherwise.

Section 2. The City Council or its designee is hereby further authorized to determine, by Ordinance, Resolution, or by other action if permitted by then applicable law, on or before August 1 of each year, the specific special tax to be levied on each parcel of land in the CFD No. 2021-1. The special tax to be levied shall not exceed the maximum rates set forth in Exhibit "A", but the special tax may be levied at a lower rate. The City Manager is authorized and directed to file with the County Auditor on or before the 10th day of August of each tax year a certified copy of such Ordinance or Resolution accompanied by a list of all parcels subject to the special tax levy with the tax to be levied on each parcel. The City Council shall levy at the maximum rate each year

pursuant to this Ordinance should no alternate Ordinance or Resolution for any fiscal year be adopted.

Section 3. Properties or entities of the State, federal or other local governments shall be exempt from the above-referenced and approved special taxes only to the extent set forth in Exhibit A, hereto and otherwise shall be subject to the tax consistent with the provisions of Section 53317.3 of the Act in effect as of the date of adoption of this Ordinance.

Section 4. All of the collections of the special taxes shall be used only as provided for in the Act and Resolution of Formation. The special taxes shall be levied perpetually or until the City Council determines to permanently cease to levy the special taxes.

Section 5. The special taxes shall be collected from time to time as necessary to meet the financial obligations of the CFD No. 2021-1 on the secured real property tax roll in the same manner as ordinary *ad valorem* taxes are collected, or other procedures as may be adopted by the City Council. The City Manager or his/her designee is hereby authorized and directed to provide or to cause to be provided all necessary information to the Auditor/Tax Collector of Sutter County and to otherwise take all actions necessary in order to effect proper billing and collection of the special taxes, so that the special taxes shall be levied and collected in sufficient amounts and at times necessary to satisfy the financial obligations of the CFD No. 2021-1 in each fiscal year. The special taxes may be subject to the same penalties and the same procedure, sale and lien priority in cases of delinquency as provided for *ad valorem* taxes as such procedure may be modified by law or this City Council from time to time.

Notwithstanding the foregoing, the City Manager or his/her designee may collect, or cause to be collected, one or more installments of the special taxes by means of direct billing by the CFD No. 2021-1 of the property owners within the CFD No. 2021-1, if, in the judgment of the City Manager, such means of collection will reduce the administrative burden of the CFD No. 2021-1 in administering the CFD No. 2021-1 or where it is otherwise appropriate in the circumstances. In such event, the special taxes shall become delinquent if not paid when due as set forth in any such respective billing to the property owners.

Whether the special taxes are levied in the manner provided in the first or the second preceding paragraph, the special taxes shall have the same lien priority, and be subject to the same penalties and the same procedure and sale in cases of delinquency as provided for *ad valorem* taxes.

Section 6. This Ordinance relating to the levy of the special taxes shall take effect immediately upon its final passage in accordance with the provisions of Section 36937(a) of the Government Code, and the specific authorization for adoption is pursuant to the provisions of Section 53340 of the Government Code.

Section 7. The Mayor shall sign this Ordinance and the City Clerk shall attest to the Mayor's signature and then cause the same to be published within fifteen (15) days after its passage at least once in a newspaper of general circulation published and circulated in the City.

Section 8. The City Clerk shall certify to the passage of this Ordinance and shall cause the same to be published as required by law.

Introduced and read at a regular meeting of the City Council of the City of Yuba City on the 6th day of July, 2021, and passed and adopted at a regular meeting held on the ____th day of _____, 2021.

AYES:

NOES:

ABSENT:

Marc Boomgaarden, Mayor

ATTEST

Ciara Wakefield, Deputy City Clerk

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY

Shannon L. Chaffin, City Attorney
Aleshire & Wynder, LLP

Attachment(s):
Exhibit A – Rate and Method of Apportionment

EXHIBIT "A"

**CITY OF YUBA CITY
COMMUNITY FACILITIES DISTRICT NO. 2021-1
(MUNICIPAL SERVICES)
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX**

A Special Tax applicable to each Assessor's Parcel in Community Facilities District No. 2021-1 (Municipal Services) [herein "CFD No. 2021-1"] shall be levied and collected according to the tax liability determined by the City Council, acting in its capacity as the legislative body of CFD No. 2021-1, through the application of the appropriate Special Tax rate, as described below. All of the property in CFD No. 2021-1, unless exempted by law or by the provisions of Section E below, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acreage" or **"Acre"** means the land area making up an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable final subdivision map or other parcel map recorded at the County Recorder's Office.

"Administrative Expenses" means the costs incurred by the City to determine, levy and collect the Special Tax, including salaries of City employees and fees of consultants and the costs of collecting installments of the Special Taxes upon the general tax rolls; preparation of required reports, and any other costs required to administer the CFD No. 2021-1 as determined by the Finance Director.

"Administrator" means the person or firm designated by the City to administer the Special Taxes according to this Rate and Method of Apportionment of Special Tax.

"Annual Tax Escalation Factor" means an annual increase in the Maximum Special Tax following the Base Year in an amount not to exceed four percent (4%). The Annual Tax Escalation Factor shall be based on the budgeted escalation of the City of Yuba City's combined Police and Fire Departments from the previous fiscal year.

"Assessor's Parcel" or **"Parcel"** means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor designating parcels by Assessor's Parcel number.

"Authorized Services" means the public services authorized to be funded by CFD No. 2021-1 as set forth in the documents adopted by the City Council when the CFD No. 2021-1 was formed.

"Base Year" means Fiscal Year 2020-2021.

"City" means the City of Yuba City.

"City Council" means the City Council of the City of Yuba City, acting as the legislative body of CFD No. 2021-1.

"County" means Sutter County, California.

"Developed Residential Property" means, in any Fiscal Year, all Parcels of Taxable Property for which a use permit or building permit for new construction of a residential structure was issued prior to June 30 of the preceding Fiscal Year.

"Finance Director" means the Finance Director for the City or his or her designee or successor.

"Fiscal Year" means the period starting on July 1 and ending on the following June 30.

"Maximum Special Tax" means the maximum Special Tax determined in accordance with Section C below that can be levied on Taxable Property in any Fiscal Year.

"Multi-Family Property" means, in any Fiscal Year, all units in CFD No. 2021-1 for which a building permit was issued or may be issued for construction of a residential structure with multiple units that share common walls, all of which are offered for rent to the general public.

"Public Property" means any property within the boundaries of CFD No. 2021-1 that is owned by the federal government, State of California, County, City, or other public agency.

"Residential Unit(s)" means an individual lot of land for which a building permit could be issued to construct one or more residential dwelling units.

"Residential Property" means all Assessor's Parcels of Taxable Property for which a map has been recorded designating individual Residential Units.

"Non-Residential Property" means all Assessor's Parcels of Taxable Property within the boundaries of CFD No. 2021-1 for which a map has been recorded designating the Assessor's Parcel as a lot for which a building permit could be issued and the Assessor's Parcel cannot be classified as a Residential Property.

"Special Tax" means any tax levied to pay for Authorized Services and Administrative Expenses.

"Single Family Property" means buildings containing one dwelling unit located on a single lot that are individually owned, including attached or detached residences (i.e., townhome unit and/or condominium units).

"Taxable Property" means all Assessor's Parcels within the boundaries of CFD No. 2021-1 designated as Developed Residential Property.

"Undeveloped Residential Property" means all Parcels of Residential Property within the boundaries of CFD No. 2021-1 that are not Developed Residential Property, as determined by the Administrator.

"Unit" means an individual single family detached unit or an individual residential unit within a duplex, triplex, fourplex, townhome, condominium, or apartment structure.

CATEGORIZING PARCELS FOR ANNUAL TAX LEVY

Each Fiscal Year, the Administrator shall identify the current Assessor's Parcel numbers for all Parcels within CFD No. 2021-1, and each parcel shall be classified as Developed Residential Property, Non-Residential Property, Public Property, or Undeveloped Residential Property, and shall be subject to the levy of annual Special Taxes determined pursuant to Sections C and D below.

B. MAXIMUM SPECIAL TAX RATE

All Taxable Property within the CFD No. 2021-1 shall be subject to a Maximum Special Tax that will be levied each Fiscal Year to pay for Authorized Services. As discussed above, the Administrator shall rely first on the Land Use Designation for a Parcel to determine the appropriate Maximum Special Tax in **Table 1**, below, but, in the absence of an assigned Land Use Designation, the Administrator shall refer to the Zoning Designation and land use to be built on the Parcel. The following Maximum Special Tax rates apply to all Parcels of Developed Property within CFD No. 2021-1:

Each Residential Unit is subject to the Maximum Special Tax shown in **Table 1**, below.

Non- Residential Property, Undeveloped Property, and Public Property is not subject to the Maximum Special Tax.

Table 1

| Property Land Use | Fiscal Year 2021/22 Maximum Special Tax Amount * |
|----------------------------------|---------------------------------------------------------|
| Single Family Property | \$485.80 per Single Family Residential Unit |
| Multi-Family Property | \$354.35 per Multi-Family Residential Unit |
| Undeveloped Residential Property | \$0 per Assessor's Parcel |

* Beginning July 1, 2022 and each July 1 thereafter, all of the Maximum Special Taxes shown in **Table 1** above shall be adjusted by applying the Annual Tax Escalation Factor.

C. METHOD OF LEVY AND COLLECTION OF SPECIAL TAX

Each Fiscal Year, the Administrator shall levy the Maximum Special Tax on each Parcel of Developed Property in CFD No. 2021-1. The Special Tax for CFD No. 2021-1 shall be collected in the same manner and at the same time as ordinary ad valorem property taxes provided, however, that CFD No. 2021-1 may (under the authority of Government Code Section 53340) in any particular case bill the taxes directly to the property owner off the County tax roll, and the Special Tax will be equally subject to foreclosure if delinquent.

D. LIMITATIONS

Notwithstanding any other provision of this Rate and Method of Apportionment of Special Tax, no Special Tax shall be levied on Public Property, Non-Residential Property, or Undeveloped Residential Property.

E. FUTURE ANNEXATIONS

It is anticipated that additional properties will be annexed to CFD No. 2021-1 from time to time. The property to be annexed will be assigned to the appropriate Maximum Special Tax rate for the Tract or Tracts when annexed, as pursuant to California Government Code section 53339 et seq.

In certain cases, it may be determined that a potential property to be annexed may require a higher cost to provide City services than other areas of the City (e.g., if it possesses a large quantity of City- owned infrastructure that requires maintenance). As each annexation is proposed, the City may elect to prepare an analysis to determine the annual cost for providing Services, and may incorporate unique zones with varying Maximum Special Tax rates. Such zones may be referred to by reference to a letter or number on the boundary map, and adjust the rates in Table 1 of such annexation to reflect the applicable rates.

The City may adopt a future annexation area in the future and allow for annexation by unanimous written consent.

F. INTERPRETATION OF SPECIAL TAX FORMULA

The City reserves the right to make minor administrative and technical changes to this document that do not materially affect the rate and method of apportioning the Special Tax. In addition, the interpretation and application of any section of this document shall be left to the City's discretion. Interpretations may be made by the City by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Tax.

G. TERM

The Special Tax shall be collected in perpetuity.

H. APPEALS

Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the Administrator not later than twelve months after having paid the first installment of the Special Tax that is disputed. The Administrator shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and rule on the appeal. If the decision of the Administrator requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the property owner, a cash refund shall not be made but an adjustment shall be made to the Special Tax on that Assessor's Parcel in the subsequent Fiscal Year(s) to compensate for the overpayment of the Special Tax.

ATTACHMENT 5

HEARING REPORT

YUBA CITY COMMUNITY FACILITIES DISTRICT NO. 2021-1



**HEARING REPORT
YUBA CITY COMMUNITY FACILITIES DISTRICT
NO. 2021-1**

Background

The City's standard Development Agreement and Conditions of Approval for new residential development includes a requirement that the development pay for operations and/or maintenance for police, fire, parks, drainage, and ongoing street maintenance costs. These conditions may be satisfied through participation in a Mello-Roos Community Facilities District (CFD).

On September 5, 2017, the City Council of the City of Yuba City adopted Resolution No. 17-065 authorizing the formation of CFD 2017-1 and levying a special tax within the district. This District is intended to mitigate the impact of new residential development on City services. Recently, several residential developments have annexed into CFD 2017-1.

The City is now forming new CFD 2021-1 in order to streamline the process for annexing new residential developments to ensure that these new developments fund their proportionate share of City services and protect the City's fiscal sustainability over time.

Purpose of Report

This report documents key parameters of CFD 2021-1 and serves as the Hearing Report required by the Mello-Roos Community Facilities Act of 1982 (Act), specifically California Government Code Section 53321.5. The Hearing Report includes an identification of the geographic areas and land uses that will be subject to the CFD, a discussion of the maximum special tax rates, and the methodologies used to support the identified rates.

Boundaries of the CFD

The land that will be subject to CFD 2021-1 consists of one development project, which has received tentative map approval from the City but has not yet been constructed (Dunn Ranch Estates – Unit 1 Subdivision at the southeast corner of Royo Ranchero Drive and Monroe Drive). Exhibit D contains a map which shows the properties that are within this project and that will be subject to CFD 2021-1. The CFD will also have a future annexation area (“Future Annexation Area”) which is similar to that of CFD 2017-1 and which will consider annexations in the future. Exhibit E contains maps of the future annexation area contemplated at this time.

Land Uses

The properties that are within CFD 2021-1 are planned for approximately 56 single-family residential units, all within with the so-called “Dunn Ranch Estates – Unit 1” project. Additional residential projects (single-family or multi-family) will be allowed to annexed upon unanimous written consent.

Annual CFD Costs

CFD 2021-1 is anticipated to fund a variety of expanded municipal services needed due to the new development, including, but not limited to, roadway maintenance, parks/landscaping maintenance, police services, fire protection services, stormwater facilities maintenance, and formation/administration costs.

The City provides these services on an area or citywide basis. The estimated cost to provide these services is based on the average cost per home for services throughout the City. Because the City can only use the Special Tax to pay for expanded services in the City, the actual costs will be based on additional services cost incurred by the City as projects develop.

The Fiscal Impact Analysis contained in Section 2 of the Hearing Report for CFD 2017-1 (attached as Exhibit A) (“2017 Report”) remains valid today and forms the basis of the fiscal impacts for CFD 2021-1, including the Future Annexation Area, and the 2017 Report is by this reference incorporated herein.

Proposed Maximum Special Tax

As a matter of policy – to ensure that development is not overburdened by additional taxes/assessments that would impede its ability to be competitive in the surrounding market area – the City chose to set the maximum special tax rate at \$425 per single-family unit for CFD 2017-1. To set a corresponding multi-family rate, the City applied an adjustment factor of 76 percent, which represents the differential between single-family and multi-family impacts on a per-unit basis in the Fiscal Impact Analysis, resulting in a multi-family rate of \$310 per unit.

The rates established for CFD 2017-1 were developed in the Base Year of fiscal year 2016/17. CFD 2017-1 includes an escalation of these rates of no more than 4 percent starting on July 1, 2018, and each year thereafter. The annual escalation factor equals the percentage escalation of the City’s combined Police and Fire Department budgets from the previous fiscal year, up to the 4 percent maximum. Using the escalation factor for CFD 2017-1, the CFD rates for CFD 2021-1 are as follows:

| <u>Land Use Type</u> | <u>Rate</u> |
|-----------------------------|--------------------|
| Single Family | \$485.80 |
| Multi-Family | \$354.35 |

Properties in the Future Annexation Area will be subject to the same rates when they annex.

Description of the Proposed CFD

Special taxes within CFD 2021-1 will be levied according to the Rate and Method of Apportionment of Special Tax for CFD 2017-1 (the "Tax Formula"), with a few adjustments to the language. The attached exhibits contain the formation documents for CFD No. 2021-1. Exhibit B contains the list of authorized services to be funded by CFD No. 2021-1. Exhibit C is the Rate and Method of Apportionment. The purpose of CFD No. 2021-1 is to provide funding for the annual costs of authorized CFD services.

Determination of Parcels Subject to Special Tax

The City shall prepare a list of parcels subject to the special tax using the records of the City of Yuba City and the County Assessor. The City will tax all parcels within CFD No. 2021-1 except those that are declared tax-exempt.

Termination of Special Tax

The special tax will be levied and collected in perpetuity.

Setting the Annual Maximum Tax Rate

The maximum annual special tax is set at \$485.80 per single family unit and \$354.35 per multi-family unit in the Base Year of fiscal year 2021/22. The maximum annual special tax will escalate at no more than 4 percent starting on July 1, 2022, and each year thereafter. The annual escalation factor will be equal to the percentage escalation of the City's combined Police and Fire Department budgets from the previous fiscal year, up to the 4 percent maximum.

Prepayment of Special Tax Obligation

Prepayment of special taxes for services is not permitted.

Manner of Collection

The special tax will be collected in the same manner and at the same time as ad valorem property taxes. At the City's option, the special taxes may be billed directly to property owners.

Annexation

It is anticipated that additional properties will be annexed into CFD No. 2021-1 from time to time. Property to be annexed will be assigned to the appropriate Maximum Special Tax rate for the Tract or Tracts when annexed, as pursuant to California Government Code section 53339 et seq. Properties in the future annexation area will be annexed by unanimous written consent.

In certain cases, it may be determined that a potential property to be annexed may require a higher cost to provide City services than other areas of the City (e.g., if it possesses a large quantity of City-owned infrastructure that requires maintenance). As each annexation is proposed, the City may elect to prepare an analysis to determine the annual cost for providing Services, and may incorporate unique zones with varying Maximum Special Tax rates.

Attachments:

- Exhibit A – Hearing Report for CFD 2017-1
- Exhibit B – List of Authorized Services
- Exhibit C – Rate and Method of Apportionment
- Exhibit D – Map of Parcels within CFD Boundary
- Exhibit E – Map of Future Annexation Area



Respectfully submitted,

Diana Langley

Diana Langley
Engineer of Work
City of Yuba City

EXHIBIT "A"

City of Yuba City Community Facility District No. 2017-1 (Municipal Services)

HEARING REPORT

Prepared by New Economics & Advisory

August 23, 2017

1. Introduction

Background

The City of Yuba City (City) engaged New Economics & Advisory (New Economics) to assist with the formation of a new Community Facilities District (CFD) to provide funding for municipal services. This CFD is desired in order to ensure that new development funds its proportionate share of City services and protect the City's fiscal sustainability over time.

Purpose and Organization of the Report

This report documents key parameters of the CFD and serves as the Hearing Report required by the Mello-Roos Act, specifically California Government Code Section 53321.5. The Hearing Report includes an identification of the geographic areas and land uses that will be subject to the CFD, a discussion of the maximum special tax rates, and the methodologies used to support the identified rates.

This report includes the following key sections.

- Chapter 1: Introduction
- Chapter 2: Land Use and CFD Costs
 - Boundaries of the CFD
 - Land Uses
 - Annual CFD Costs
- Chapter 3: Proposed Maximum Special Tax
- Chapter 4: Structure of the Proposed CFD
- Exhibit A: List of Authorized Services
- Exhibit B: Rate and Method of Apportionment
- Exhibit C: Maps of Parcels Within the CFD Boundary

2. Land Use and Annual CFD Costs

Boundaries of the CFD

The land that will be subject to the CFD consists of one development project, which has received tentative map approval from the City but has not yet been constructed. **Exhibit C** contains a map which shows the properties that are within this project and that will be subject to CFD No. 2017-1.

Land Uses

The properties that are within the CFD are planned for approximately 39 single-family units, all within with the so-called “Valencia Estates” project, as shown in **Figure 1**.

1 *Summary of Projects Included in CFD* *Yuba City Services CFD*

| Project Name | Parcel Number(s) | Total Project Acres | Single Family Units |
|---------------------------|-------------------------------|----------------------------|----------------------------|
| Valencia Estates | 59-630-001 through 59-630-039 | 10.7 | 39 |
| Total CFD Boundary | | 10.7 | 39 |

Sources: City of Yuba City.

Prepared by New Economics & Advisory, August 2017.

Annual CFD Costs

The CFD is anticipated to fund a variety of expanded municipal services needed due to the new development, including, but not limited to, roadway maintenance, parks/landscaping maintenance, police services, fire protection services, stormwater facilities maintenance, and formation/ administration costs.

The City provides these services on an area or citywide basis. The estimated cost to provide these services is based on the average cost per home for services throughout the City. Because the City can only use the Special Tax to pay for expanded services in the City, the actual costs will be based on additional services cost incurred by the City as projects develop.

Fiscal Impact Analysis

New Economics prepared a Fiscal Impact Analysis (FIA) for Yuba City's AB 1600 Growth Increment for all projected development in Yuba City in the current Sphere of Influence (SOI).¹ The FIA measures the fiscal impact of each new residential unit in the City by estimating the revenues that will be generated by new development in the form of property taxes, sales taxes, and other similar revenue sources, and comparing these revenues to the expected cost of City services. The FIA calculations were performed for the anticipated buildout of the City's SOI, as documented in the Yuba City Update of the AB 1600 Fee Justification Study, dated October 10, 2007.

Figure 2 contains the results of the FIA. As shown, new development in the City is anticipated to generate approximately \$1,162 in annual revenues per single-family unit and incur \$1,847 in annual City expenditures, for a net fiscal deficit of \$623 per single-family unit per year. The largest revenue generators are Property Taxes and Property Tax-in-Lieu of Vehicle Licensing Fees, and the largest expenditures are Police, Fire Protection, and Public Works.

¹ Prepared by New Economics & Advisory, dated August 23, 2017.

2

Summary of Annual Fiscal Impacts (\$2017)

AB 1600 Growth: Fiscal Analysis

| | Fiscal Impact per Unit | |
|----------------------------------------------------|-------------------------------|----------------|
| Item | Single Family | Multi-Family |
| General Fund Annual Revenue Projections | | |
| Property Taxes | \$457 | \$285 |
| Property Taxes in Lieu of VLF | \$346 | \$215 |
| Sales Taxes | \$80 | \$55 |
| Prop 172 - Public Safety Aug. | \$15 | \$10 |
| Franchises | \$0 | \$0 |
| Business Licenses | \$0 | \$0 |
| Real Property Transfer Taxes | \$19 | \$6 |
| Hotel/ Motel Surcharge | \$30 | \$20 |
| Licenses & Permits | \$6 | \$4 |
| Intergovernmental | \$3 | \$2 |
| Service Fees | \$77 | \$51 |
| Interfund Transfers | \$67 | \$45 |
| Total Annual General Fund Revenues | \$1,101 | \$694 |
| General Fund Annual Expenditure Projections | | |
| Legislative/ Administrative (Except Econ. Dev.) | \$29 | \$19 |
| Economic Development | \$0 | \$0 |
| Finance/ IT | \$96 | \$64 |
| Human Resources | \$27 | \$18 |
| Development Services | \$12 | \$8 |
| Police | \$616 | \$410 |
| Fire | \$354 | \$236 |
| Public Works | \$207 | \$138 |
| Non-Departmental | \$33 | \$22 |
| Community Services (Except Parks Maint.) | \$114 | \$76 |
| Parks Maintenance | \$63 | \$63 |
| Increased PERS Costs | \$172 | \$115 |
| Total General Fund Expenditures | \$1,724 | \$1,170 |
| <hr/> | | |
| Net Impact (Revenues Less Expenditures) | (\$623) | (\$476) |

[1] The fiscal impact analysis also studies non-residential development categories, but they are not shown here because the CFD focuses only on residential development.

Prepared by New Economics & Advisory, August 2017.

3. Proposed Maximum Special Tax

As a matter of policy--to ensure that development is not overburdened by additional taxes/ assessments that would impede its ability to be competitive in the surrounding market area--the City has chosen to set the maximum special tax rates at \$425 per single-family unit. To set a corresponding multi-family rate, New Economics applied the differential between single-family and multifamily impacts on a per-unit basis in the FIA as an adjustment factor. Therefore, the multi-family rate is set at \$310 per unit, which is 76 percent of the single-family rate, as shown in **Figure 3**.

3 *CFD Rates by Land Use Type* *Yuba City Services CFD*

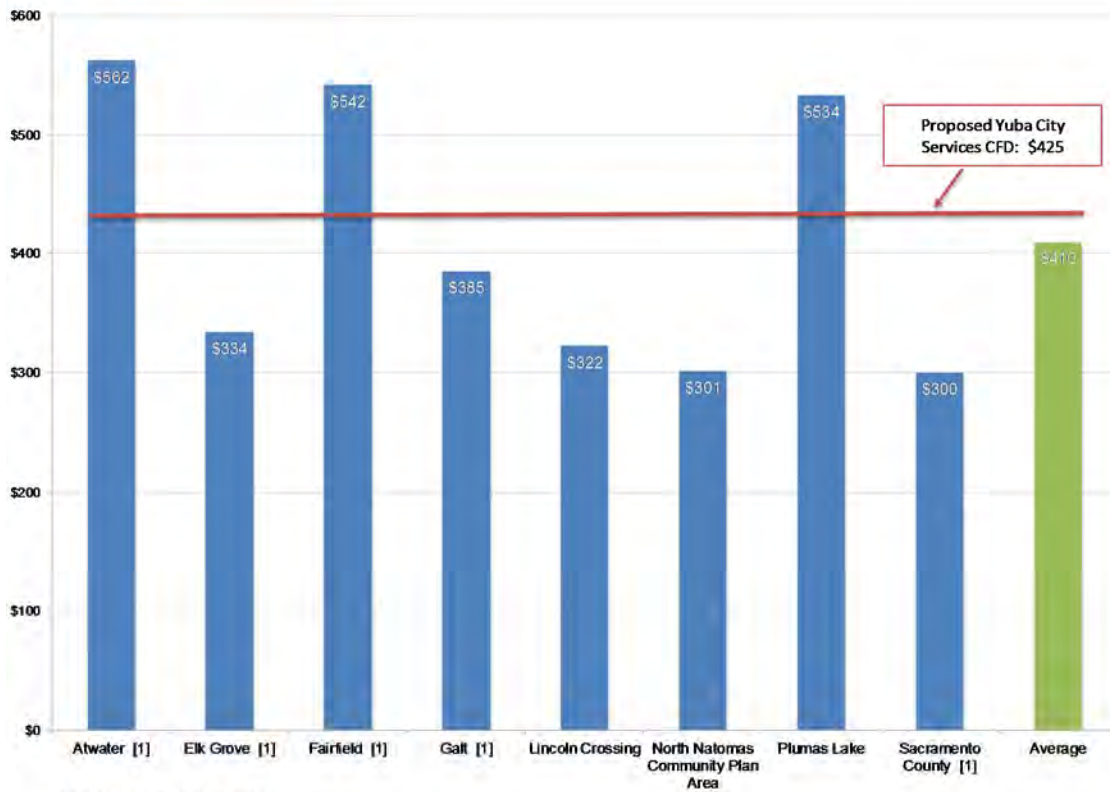
| <u>Land Use Type</u> | <u>Rate</u> |
|----------------------|-------------|
| Single Family | \$425 |
| Multi-Family [1] | \$310 |

[1] Multi-family rates are set at 76 percent of single family;
based on the results of the Citywide Fiscal Impact Analysis.

Prepared by New Economics & Advisory, August 2017.

As a point of comparison, **Figure 4** shows the maximum special tax rates for various CFDs for services in nearby communities. As shown, single-family rates range from \$300 to \$562 annually, with an average of \$410. At \$425, CFD No. 2017-1 is near the average of CFD rates in for Services CFDs in select communities elsewhere in Northern California.

4 **Comparable Services CFD Amounts (Per SF Unit)**
Yuba City Services CFD



[1] Rates shown are from 2007.

Note: In addition to the rates shown above, many cities in the Sacramento region utilize CFDs for services, which can range from \$200 to \$1,000 per year.

Prepared by New Economics & Advisory, July 2017.

4. Structure of the Proposed CFD

Description of the Community Facilities District

Special taxes within the CFD will be levied according to the Rate and Method of Apportionment of Special Tax (the "Tax Formula"). The attached exhibits contain the formation documents for CFD No. 2017-1. **Exhibit A** contains the list of authorized services to be funded by CFD No. 2017-1 **Exhibit B** is the Rate and Method of Apportionment. The purpose of CFD No. 2017-1 is to provide funding for the annual costs of authorized CFD services.

Determination of Parcels Subject to Special Tax

The City shall prepare a list of parcels subject to the Special Tax using the records of the City of Yuba City and the County Assessor. The City will tax all parcels within CFD No. 2017-1 except those that are declared tax-exempt.

Termination of Special Tax

The special tax will be levied and collected in perpetuity.

Setting the Annual Maximum Tax Rate

The maximum annual special tax is set at \$425 per single family unit and \$310 per multi-family unit in the Base Year of FY 2016/17. The maximum annual special tax will escalate at no more than 4 percent starting on July 1, 2018, and each year thereafter. The annual escalation factor will be equal to the percentage escalation of the City's combined Police and Fire Department budgets from the previous fiscal year, up to the 4 percent maximum.

Prepayment of Special Tax Obligation

Prepayment of special taxes for services is not permitted.

Manner of Collection

The special tax will be collected in the same manner and at the same time as ad valorem property taxes. At the City's option, the special taxes may be billed directly to property owners.

Annexation

It is anticipated that additional properties will be annexed to CFD No. 2017-1 from time to time. The property to be annexed will be assigned to the appropriate Maximum Special Tax rate for the Tract or Tracts when annexed, as pursuant to California Government Code section 53339 et seq.

In certain cases, it may be determined that a potential property to be annexed may require a higher cost to provide City services than other areas of the City (e.g., if it possesses a large quantity of City-owned infrastructure that requires maintenance). As each annexation is proposed, the City may elect to prepare an analysis to determine the annual cost for providing Services, and may incorporate unique zones with varying Maximum Special Tax rates.

Exhibit A: List of Authorized Services

EXHIBIT A
List of Authorized Services
COMMUNITY FACILITIES DISTRICT NO. 2017-1 (MUNICIPAL SERVICES)
CITY OF YUBA CITY, SUTTER COUNTY, CALIFORNIA

The Community Facilities District No. 2017-1 (Municipal Services) (the "CFD") shall include the City services authorized under Section 53313 of the Community Facilities Act of 1982, Chapter 2.5 of Division 2 of Title 5 of the California Government Code, commencing with Section 53311 (the "Act"), which include the following services, to the extent that such services are in addition to those provided in the territory of the CFD before the CFD was created (or, as to territory which may be annexed to the CFD, before such territory was annexed to the CFD).

Services to be funded by CFD No. 2017-1 shall include:

- (a) Police protection services.
- (b) Fire protection and suppression services, and ambulance and paramedic services.
- (c) Maintenance of parks, parkways, streets, roads, and open space.
- (d) Flood and storm protection services, including, but not limited to, the operation and maintenance of storm drainage systems, and sandstorm protection systems.
- (e) Services with respect to removal or remedial action for the cleanup of any hazardous substance released or threatened to be released into the environment, subject to the limitations contained in Section 53313 of the Act.
- (f) Maintenance and operation of any real property or other tangible property with an estimated useful life of five or more years that is owned by the local agency or by another local agency pursuant to an agreement entered into under Section 53316.2.
- (g) Costs incurred by the City and/ or County in formation of the district and annual contract administration.

In accordance with Section 53313 of the Act, the additional services may not supplant services already available within that territory when the district was created.

Exhibit B: Rate and Method of Apportionment

EXHIBIT B
CITY OF YUBA CITY
COMMUNITY FACILITIES DISTRICT NO. 2017-1
(MUNICIPAL SERVICES)
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax applicable to each Assessor's Parcel in Community Facilities District No. 2017-1 (Municipal Services) [herein "CFD No. 2017-1"] shall be levied and collected according to the tax liability determined by the City Council, acting in its capacity as the legislative body of CFD No. 2017-1, through the application of the appropriate Special Tax rate, as described below. All of the property in CFD No. 2017-1, unless exempted by law or by the provisions of Section E below, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acreage" or "Acre" means the land area making up an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable final subdivision map or other parcel map recorded at the County Recorder's Office.

"Administrative Expenses" means the costs incurred by the City to determine, levy and collect the Special Tax, including salaries of City employees and fees of consultants and the costs of collecting installments of the Special Taxes upon the general tax rolls; preparation of required reports, and any other costs required to administer the CFD as determined by the Finance Director.

"Administrator" means the person or firm designated by the City to administer the Special Taxes according to this Rate and Method of Apportionment of Special Tax.

"Annual Tax Escalation Factor" means an annual increase in the Maximum Special Tax following the Base Year in an amount not to exceed four percent (4%). The Annual Tax Escalation Factor shall be based on the budgeted escalation of the City of Yuba City's combined Police and Fire Departments from the previous fiscal year.

"Assessor's Parcel" or "Parcel" means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor designating parcels by Assessor's Parcel number.

"Authorized Services" means the public services authorized to be funded by CFD No. 2017-1 as set forth in the documents adopted by the City Council when the CFD was formed.

"Base Year" means Fiscal Year 2016-17.

"City" means the City of Yuba City.

"City Council" means the City Council of the City of Yuba City, acting as the legislative body of CFD No. 2017-1.

"County" means Sutter County, California.

"Developed Residential Property" means, in any Fiscal Year, all Parcels of Taxable Property for which a use permit or building permit for new construction of a residential structure was issued prior to June 30 of the preceding Fiscal Year.

"Finance Director" means the Finance Director for the City or his or her designee or successor.

"Fiscal Year" means the period starting on July 1 and ending on the following June 30.

"Maximum Special Tax" means the maximum Special Tax determined in accordance with Section C below that can be levied on Taxable Property in any Fiscal Year.

"Multi-Family Property" means, in any Fiscal Year, all units in CFD No. 2017-1 for which a building permit was issued or may be issued for construction of a residential structure with multiple units that share common walls, all of which are offered for rent to the general public.

"Public Property" means any property within the boundaries of CFD No. 2017-1 that is owned by the federal government, State of California, County, City, or other public agency.

"Residential Unit(s)" means an individual lot of land for which a building permit could be issued to construct one or more residential dwelling units.

"Residential Property" means all Assessor's Parcels of Taxable Property for which a map has been recorded designating individual Residential Units.

"Non-Residential Property" means all Assessor's Parcels of Taxable Property within the boundaries of CFD No. 2017-1 for which a map has been recorded designating the Assessor's Parcel as a lot for which a building permit could be issued and the Assessor's Parcel cannot be classified as a Residential Property.

"Special Tax" means any tax levied to pay for Authorized Services and Administrative Expenses.

"Single Family Property" means buildings containing one dwelling unit located on a single lot that are individually owned, including attached or detached residences (i.e., townhome unit and/or condominium units).

"Taxable Property" means all Assessor's Parcels within the boundaries of CFD No. 2017-1 designated as Developed Residential Property.

"Undeveloped Residential Property" means all Parcels of Residential Property within the boundaries of CFD No. 2017-1 that are not Developed Residential Property, as determined by the Administrator.

"Unit" means an individual single family detached unit or an individual residential unit within a duplex, triplex, fourplex, townhome, condominium, or apartment structure.

B. CATEGORIZING PARCELS FOR ANNUAL TAX LEVY

Each Fiscal Year, the Administrator shall identify the current Assessor's Parcel numbers for all Parcels within CFD No. 2017-1, and each parcel shall be classified as Developed Residential Property, Non-Residential Property, Public Property, or Undeveloped Residential Property, and shall be subject to the levy of annual Special Taxes determined pursuant to Sections C and D below.

C. MAXIMUM SPECIAL TAX RATE

All Taxable Property within the CFD shall be subject to a Maximum Special Tax that will be levied each Fiscal Year to pay for Authorized Services. As discussed above, the Administrator shall rely first on the Land Use Designation for a Parcel to determine the appropriate Maximum Special Tax in **Table 1**, below, but, in the absence of an assigned Land Use Designation, the Administrator shall refer to the Zoning Designation and land use to be built on the Parcel. The following Maximum Special Tax rates apply to all Parcels of Developed Property within CFD No. 2017-1:

Each Residential Unit is subject to the Maximum Special Tax shown in **Table 1**, below. Non-Residential Property, Undeveloped Property, and Public Property is not subject to the Maximum Special Tax.

Table 1

| Property Land Use | 2016/17 Maximum Special Tax Amount * |
|----------------------------------|---------------------------------------------|
| Single Family Property | \$425 per Single Family Residential Unit |
| Multi-Family Property | \$310 per Multi-Family Residential Unit |
| Undeveloped Residential Property | \$0 per Assessor's Parcel |

* Beginning July 1, 2018 and each July 1 thereafter, all of the Maximum Special Taxes shown in Table 1 above shall be adjusted by applying the Annual Tax Escalation Factor.

D. METHOD OF LEVY AND COLLECTION OF SPECIAL TAX

Each Fiscal Year, the Administrator shall levy the Maximum Special Tax on each Parcel of Developed Property in CFD No. 2017-1. The Special Tax for CFD No. 2017-1 shall be collected in the same manner and at the same time as ordinary ad valorem property taxes provided, however, that CFD No. 2017-1 may (under the authority of Government Code Section 53340) in any particular case bill the taxes directly to the property owner off the County tax roll, and the Special Tax will be equally subject to foreclosure if delinquent.

E. LIMITATIONS

Notwithstanding any other provision of this Rate and Method of Apportionment of Special Tax, no Special Tax shall be levied on Public Property, Non-Residential Property, or Undeveloped Residential Property.

F. FUTURE ANNEXATIONS

It is anticipated that additional properties will be annexed to CFD No. 2017-1 from time to time. The property to be annexed will be assigned to the appropriate Maximum Special Tax rate for the Tract or Tracts when annexed, as pursuant to California Government Code section 53339 et seq.

In certain cases, it may be determined that a potential property to be annexed may require a higher cost to provide City services than other areas of the City (e.g., if it possesses a large quantity of City-owned infrastructure that requires maintenance). As each annexation is proposed, the City may elect to prepare an analysis to determine the annual cost for providing Services, and may incorporate unique zones with varying Maximum Special Tax rates.

G. INTERPRETATION OF SPECIAL TAX FORMULA

The City reserves the right to make minor administrative and technical changes to this document that does not materially affect the rate and method of apportioning the Special Tax. In addition, the interpretation and application of any section of this document shall be left to the City's discretion. Interpretations may be made by the City by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Tax.

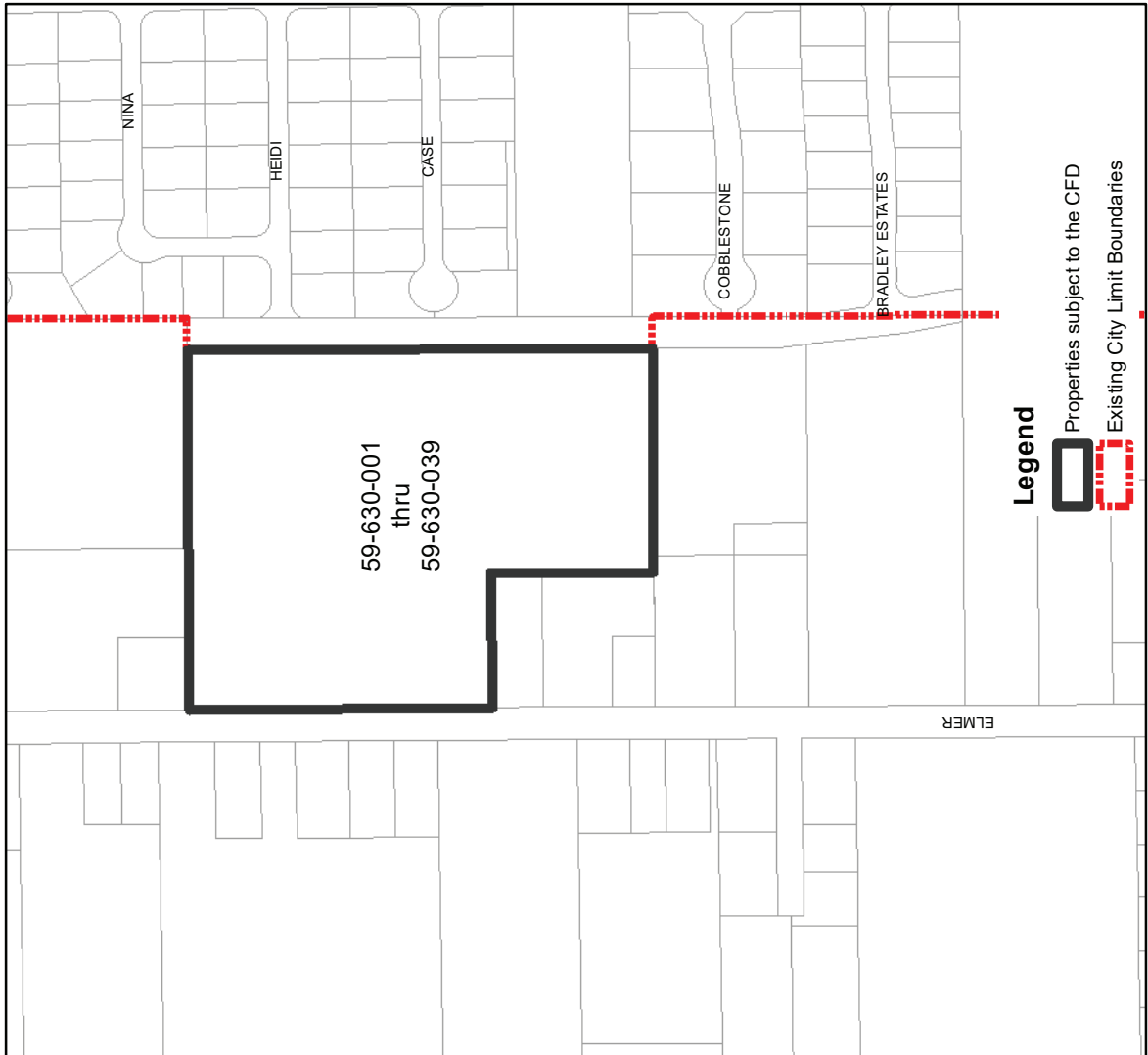
H. Term

The Special Tax shall be collected in perpetuity.

Exhibit C: Map of Parcels Within CFD Boundary

CITY OF YUBA CITY COMMUNITY FACILITIES DISTRICT No. 2017-1 (MUNICIPAL SERVICES)

CITY OF YUBA CITY
SUTTER COUNTY, STATE OF CALIFORNIA



Filed in the Office of the Sutter County Recorder this _____ day of _____, 2017.

Terrel Locke, Deputy City Clerk
City of Yuba City
Sutter County
State of California

I hereby certify that the within map showing proposed boundaries of CFD No. 2017-1 in the City of Yuba City, Sutter County, State of California, was approved by the City council of the City of Yuba City at a regular meeting thereof, held on the _____ day of _____, 2017, by its Resolution No. _____.

Terrel Locke, Deputy City Clerk
City of Yuba City
Sutter County
State of California

Filed this _____ day of _____, 2017, at the hour of _____ o'clock _m. in Book _____ of Maps of Assessment and Community Facilities Districts at Page _____, in the Office of the County Recorder in Sutter County, State of California.

Donna Johnston
County Recorder
Sutter County
State of California

August 23, 2017



EXHIBIT "B"

LIST OF SERVICES

The Services to be funded by the CFD include the following services and all incidental expenses related to such services, all of which are authorized by the Act:

PUBLIC SERVICES

- (a) Police protection services;
- (b) Fire protection and suppression services, ambulance and paramedic services;
- (c) maintenance of parks, parkways, streets, roads, and open space;
- (d) flood and storm protection services, including but not limited to the maintenance of storm drainage systems and sandstorm protection systems,
- (e) Services with respect to the removal or remedial action for the cleanup of any hazardous substance released or threatened to be released into the environment, subject to the limitations contained in Section 53313 of the Act;
- (f) Maintenance and operation of any real property or other tangible property with an estimated useful life of five or more years that is owned by the local agency or by another local agency pursuant to an agreement entered into under Section 53316.2; and
- (g) costs incurred by the City and/or County in formation of the district, annexation and annual contract administration.

In accordance with Section 53313 of the Act, the additional services may not supplant services available within the territory when the district was created or annexed.

The same types of services which are authorized to be financed by CFD No. 2021-1 are the types of services to be provided in the Future Annexation Area, as properties are annexed.

The services include operational and maintenance costs associated with providing such services.

EXHIBIT "C"

**CITY OF YUBA CITY
COMMUNITY FACILITIES DISTRICT NO. 2021-1
(MUNICIPAL SERVICES)
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX**

A Special Tax applicable to each Assessor's Parcel in Community Facilities District No. 2021-1 (Municipal Services) [herein "CFD No. 2021-1"] shall be levied and collected according to the tax liability determined by the City Council, acting in its capacity as the legislative body of CFD No. 2021-1, through the application of the appropriate Special Tax rate, as described below. All of the property in CFD No. 2021-1, unless exempted by law or by the provisions of Section E below, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acreage" or "Acre" means the land area making up an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable final subdivision map or other parcel map recorded at the County Recorder's Office.

"Administrative Expenses" means the costs incurred by the City to determine, levy and collect the Special Tax, including salaries of City employees and fees of consultants and the costs of collecting installments of the Special Taxes upon the general tax rolls; preparation of required reports, and any other costs required to administer the CFD No. 2021-1 as determined by the Finance Director.

"Administrator" means the person or firm designated by the City to administer the Special Taxes according to this Rate and Method of Apportionment of Special Tax.

"Annual Tax Escalation Factor" means an annual increase in the Maximum Special Tax following the Base Year in an amount not to exceed four percent (4%). The Annual Tax Escalation Factor shall be based on the budgeted escalation of the City of Yuba City's combined Police and Fire Departments from the previous fiscal year.

"Assessor's Parcel" or "Parcel" means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor designating parcels by Assessor's Parcel number.

"Authorized Services" means the public services authorized to be funded by CFD No. 2021-1 as set forth in the documents adopted by the City Council when the CFD No. 2021-1 was formed.

"Base Year" means Fiscal Year 2020-2021.

"City" means the City of Yuba City.

"City Council" means the City Council of the City of Yuba City, acting as the legislative body of CFD No. 2021-1.

"County" means Sutter County, California.

"Developed Residential Property" means, in any Fiscal Year, all Parcels of Taxable Property for which a use permit or building permit for new construction of a residential structure was issued prior to June 30 of the preceding Fiscal Year.

"Finance Director" means the Finance Director for the City or his or her designee or successor.

"Fiscal Year" means the period starting on July 1 and ending on the following June 30.

"Maximum Special Tax" means the maximum Special Tax determined in accordance with Section C below that can be levied on Taxable Property in any Fiscal Year.

"Multi-Family Property" means, in any Fiscal Year, all units in CFD No. 2021-1 for which a building permit was issued or may be issued for construction of a residential structure with multiple units that share common walls, all of which are offered for rent to the general public.

"Public Property" means any property within the boundaries of CFD No. 2021-1 that is owned by the federal government, State of California, County, City, or other public agency.

"Residential Unit(s)" means an individual lot of land for which a building permit could be issued to construct one or more residential dwelling units.

"Residential Property" means all Assessor's Parcels of Taxable Property for which a map has been recorded designating individual Residential Units.

"Non-Residential Property" means all Assessor's Parcels of Taxable Property within the boundaries of CFD No. 2021-1 for which a map has been recorded designating the Assessor's Parcel as a lot for which a building permit could be issued and the Assessor's Parcel cannot be classified as a Residential Property.

"Special Tax" means any tax levied to pay for Authorized Services and Administrative Expenses.

"Single Family Property" means buildings containing one dwelling unit located on a single lot that are individually owned, including attached or detached residences (i.e., townhome unit and/or condominium units).

"Taxable Property" means all Assessor's Parcels within the boundaries of CFD No. 2021-1 designated as Developed Residential Property.

"Undeveloped Residential Property" means all Parcels of Residential Property within the boundaries of CFD No. 2021-1 that are not Developed Residential Property, as determined by the Administrator.

"Unit" means an individual single family detached unit or an individual residential unit within a duplex, triplex, fourplex, townhome, condominium, or apartment structure.

CATEGORIZING PARCELS FOR ANNUAL TAX LEVY

Each Fiscal Year, the Administrator shall identify the current Assessor's Parcel numbers for all Parcels within CFD No. 2021-1, and each parcel shall be classified as Developed Residential Property, Non-Residential Property, Public Property, or Undeveloped Residential Property, and shall be subject to the levy of annual Special Taxes determined pursuant to Sections C and D below.

B. MAXIMUM SPECIAL TAX RATE

All Taxable Property within the CFD No. 2021-1 shall be subject to a Maximum Special Tax that will be levied each Fiscal Year to pay for Authorized Services. As discussed above, the Administrator shall rely first on the Land Use Designation for a Parcel to determine the appropriate Maximum Special Tax in **Table 1**, below, but, in the absence of an assigned Land Use Designation, the Administrator shall refer to the Zoning Designation and land use to be built on the Parcel. The following Maximum Special Tax rates apply to all Parcels of Developed Property within CFD No. 2021-1:

Each Residential Unit is subject to the Maximum Special Tax shown in **Table 1**, below.

Non- Residential Property, Undeveloped Property, and Public Property is not subject to the Maximum Special Tax.

Table 1

| Property Land Use | Fiscal Year 2021/22 Maximum Special Tax Amount * |
|----------------------------------|---------------------------------------------------------|
| Single Family Property | \$485.80 per Single Family Residential Unit |
| Multi-Family Property | \$354.35 per Multi-Family Residential Unit |
| Undeveloped Residential Property | \$0 per Assessor's Parcel |

* Beginning July 1, 2022 and each July 1 thereafter, all of the Maximum Special Taxes shown in **Table 1** above shall be adjusted by applying the Annual Tax Escalation Factor.

C. METHOD OF LEVY AND COLLECTION OF SPECIAL TAX

Each Fiscal Year, the Administrator shall levy the Maximum Special Tax on each Parcel of Developed Property in CFD No. 2021-1. The Special Tax for CFD No. 2021-1 shall be collected in the same manner and at the same time as ordinary ad valorem property taxes provided, however, that CFD No. 2021-1 may (under the authority of Government Code Section 53340) in any particular case bill the taxes directly to the property owner off the County tax roll, and the Special Tax will be equally subject to foreclosure if delinquent.

D. LIMITATIONS

Notwithstanding any other provision of this Rate and Method of Apportionment of Special Tax, no Special Tax shall be levied on Public Property, Non-Residential Property, or Undeveloped Residential Property.

E. FUTURE ANNEXATIONS

It is anticipated that additional properties will be annexed to CFD No. 2021-1 from time to time. The property to be annexed will be assigned to the appropriate Maximum Special Tax rate for the Tract or Tracts when annexed, as pursuant to California Government Code section 53339 et seq.

In certain cases, it may be determined that a potential property to be annexed may require a higher cost to provide City services than other areas of the City (e.g., if it possesses a large quantity of City- owned infrastructure that requires maintenance). As each annexation is proposed, the City may elect to prepare an analysis to determine the annual cost for providing Services, and may incorporate unique zones with varying Maximum Special Tax rates. Such zones may be referred to by reference to a letter or number on the boundary map, and adjust the rates in Table 1 of such annexation to reflect the applicable rates.

The City may adopt a future annexation area in the future and allow for annexation by unanimous written consent.

F. INTERPRETATION OF SPECIAL TAX FORMULA

The City reserves the right to make minor administrative and technical changes to this document that do not materially affect the rate and method of apportioning the Special Tax. In addition, the interpretation and application of any section of this document shall be left to the City's discretion. Interpretations may be made by the City by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Tax.

G. TERM

The Special Tax shall be collected in perpetuity.

H. APPEALS

Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the Administrator not later than twelve months after having paid the first installment of the Special Tax that is disputed. The Administrator shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and rule on the appeal. If the decision of the Administrator requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the property owner, a cash refund shall not be made but an adjustment shall be made to the Special Tax on that Assessor's Parcel in the subsequent Fiscal Year(s) to compensate for the overpayment of the Special Tax.

EXHIBIT "D"

PROPOSED BOUNDARY MAP
CITY OF YUBA CITY COMMUNITY FACILITIES DISTRICT No. 2021-1 (MUNICIPAL SERVICES)
DUNN RANCH - UNIT 1
 CITY OF YUBA CITY
 SUTTER COUNTY, STATE OF CALIFORNIA



Filed in the Office of the City Clerk this _____ day of _____, 2021.

 Jackie Sillman, City Clerk
 City of Yuba City
 Sutter County
 State of California

I hereby certify that the within map showing proposed boundaries of CFD 2021-1 in the City of Yuba City, Sutter County, State of California, was approved by the City Council of the City of Yuba City at a regular meeting thereof, held on the _____ day of _____, 2021 by its Resolution No. _____.

 Jackie Sillman, City Clerk
 City of Yuba City
 Sutter County
 State of California

Filed this _____ day of _____, 2021, at the hour of _____ o'clock ____m. in Book _____ of Maps of Assessment and Community Facilities Districts at Page _____, in the Office of the County Recorder in Sutter County, State of California.

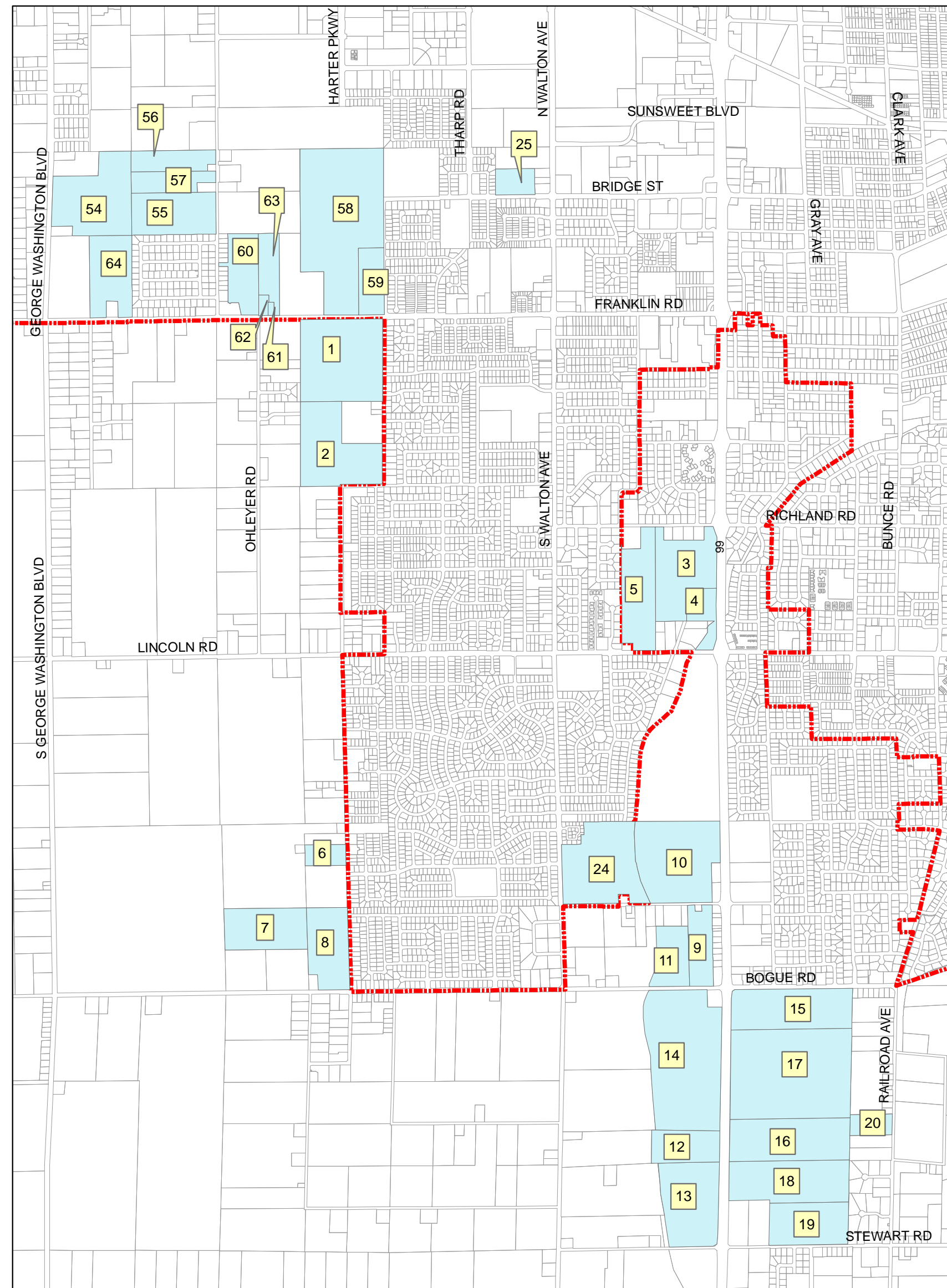
Donna Johnston
 County Recorder
 Sutter County
 State of California

 Deputy
 Document No. _____
 Fee: _____

EXHIBIT "E"

PROPOSED FUTURE ANNEXATION AREA MAP CITY OF YUBA CITY COMMUNITY FACILITIES DISTRICT No. 2021-1 (MUNICIPAL SERVICES)

CITY OF YUBA CITY
SUTTER COUNTY, STATE OF CALIFORNIA



Legend

- Future Annexation Area
- Existing City Limit Boundaries



| MAP REFERENCE NUMBER | ASSESSOR PARCEL NUMBER |
|----------------------|------------------------|
| 1 | 20-030-121 |
| 2 | 20-030-122 |
| 3 | 20-054-005 |
| 4 | 20-054-022 |
| 5 | 20-054-027 |
| 6 | 22-040-003 |
| 7 | 22-040-010 |
| 8 | 22-040-063 |
| 9 | 22-060-013 |
| 10 | 22-060-050 |
| 11 | 22-060-054 |
| 12 | 23-010-005 |
| 13 | 23-010-120 |
| 14 | 23-010-127 |
| 15 | 23-040-001 |
| 16 | 23-040-004 |
| 17 | 23-040-005 |
| 18 | 23-040-062 |
| 19 | 23-040-064 |
| 20 | 23-380-007 |
| 24 | 56-030-065 |
| 25 | 58-080-005 |
| 54 | 63-040-003 |
| 55 | 63-040-005 |
| 56 | 63-040-006 |
| 57 | 63-040-008 |
| 58 | 63-040-010 |
| 59 | 63-040-011 |
| 60 | 63-040-016 |
| 61 | 63-040-017 |
| 62 | 63-040-018 |
| 63 | 63-040-019 |
| 64 | 63-040-024 |

Filed in the Office of the City Clerk this _____ day of _____, 2021.

Jackie Sillman, City Clerk
City of Yuba City
Sutter County
State of California

I hereby certify that the within map showing proposed future annexation area of CFD 2021-1 in the City of Yuba City, Sutter County, State of California, was approved by the City Council of the City of Yuba City at a regular meeting thereof, held on the _____ day of _____, 2021 by its Resolution No. _____.

Jackie Sillman, City Clerk
City of Yuba City
Sutter County
State of California

Filed this _____ day of _____, 2021, at the hour of _____ o'clock ____m. in Book _____ of Maps of Assessment and Community Facilities Districts at Page _____, in the Office of the County Recorder in Sutter County, State of California.

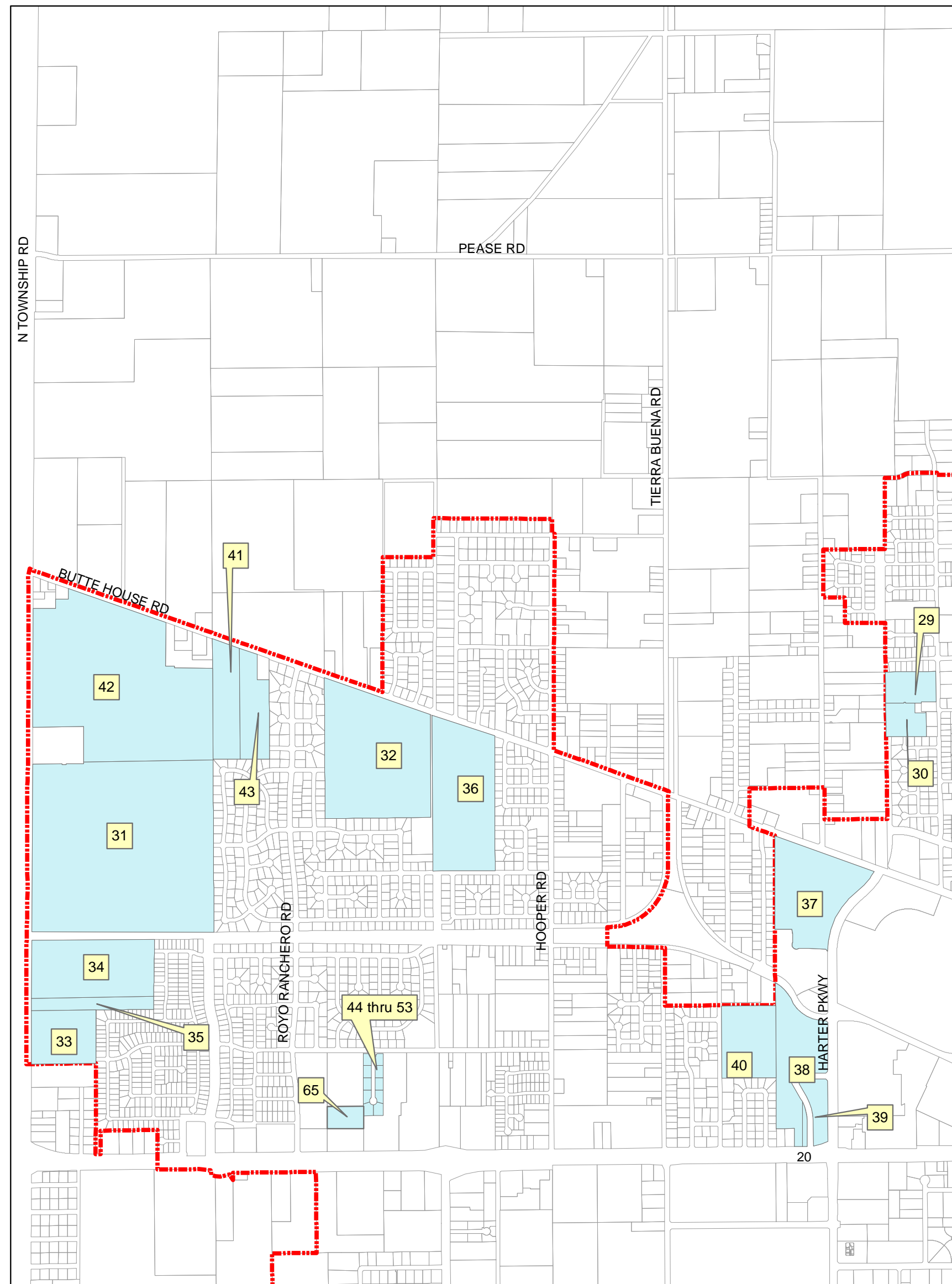
Donna Johnston
County Recorder
Sutter County
State of California

Deputy

Document No. _____
Fee: _____

PROPOSED FUTURE ANNEXATION AREA MAP
CITY OF YUBA CITY COMMUNITY FACILITIES DISTRICT No. 2021-1 (MUNICIPAL SERVICES)

CITY OF YUBA CITY
 SUTTER COUNTY, STATE OF CALIFORNIA



Legend

 Future Annexation Area
 Existing City Limit Boundaries



| MAP REFERENCE NUMBER | ASSESSOR PARCEL NUMBER |
|----------------------|------------------------|
| 29 | 59-530-008 |
| 30 | 59-530-027 |
| 31 | 62-010-030 |
| 32 | 62-010-031 |
| 33 | 62-020-079 |
| 34 | 62-020-080 |
| 35 | 62-020-081 |
| 36 | 62-033-007 |
| 37 | 62-310-004 |
| 38 | 62-310-011 |
| 39 | 62-310-012 |
| 40 | 62-310-013 |
| 41 | 62-380-011 |
| 42 | 62-380-033 |
| 43 | 62-380-042 |
| 44 | 62-420-001 |
| 45 | 62-420-002 |
| 46 | 62-420-003 |
| 47 | 62-420-004 |
| 48 | 62-420-005 |
| 49 | 62-420-006 |
| 50 | 62-420-007 |
| 51 | 62-420-008 |
| 52 | 62-420-009 |
| 53 | 62-420-010 |
| 65 | 62-020-074 |

Filed in the Office of the City Clerk this
 ____ day of _____, 2021.

 Jackie Sillman, City Clerk
 City of Yuba City
 Sutter County
 State of California

I hereby certify that the within map showing proposed future annexation area of CFD 2021-1 in the City of Yuba City, Sutter County, State of California, was approved by the City Council of the City of Yuba City at a regular meeting thereof, held on the ____ day of _____, 2021 by its Resolution No. _____.

 Jackie Sillman, City Clerk
 City of Yuba City
 Sutter County
 State of California

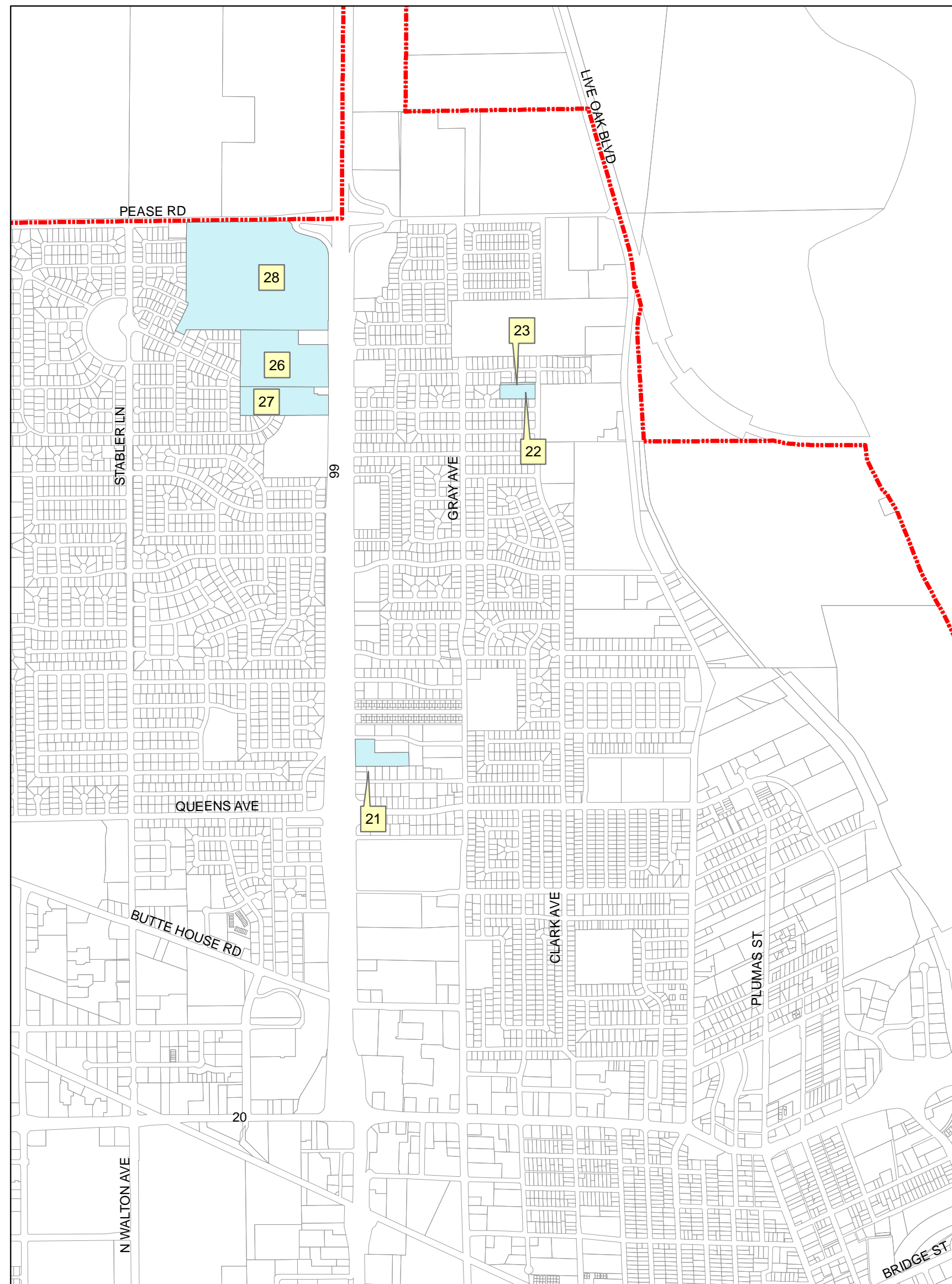
Filed this ____ day of _____, 2021, at the hour of ____ o'clock __m. in Book ____ of Maps of Assessment and Community Facilities Districts at Page _____, in the Office of the County Recorder in Sutter County, State of California.

Donna Johnston
 County Recorder
 Sutter County
 State of California

 Deputy
 Document No. _____
 Fee: _____

**PROPOSED FUTURE ANNEXATION AREA MAP
CITY OF YUBA CITY COMMUNITY FACILITIES DISTRICT No. 2021-1 (MUNICIPAL SERVICES)**

CITY OF YUBA CITY
SUTTER COUNTY, STATE OF CALIFORNIA



Legend

- Future Annexation Area
- Existing City Limit Boundaries



Filed in the Office of the City Clerk this
_____ day of _____, 2021.

Jackie Sillman, City Clerk
City of Yuba City
Sutter County
State of California

I hereby certify that the within map showing proposed future annexation area of CFD 2021-1 in the City of Yuba City, Sutter County, State of California, was approved by the City Council of the City of Yuba City at a regular meeting thereof, held on the _____ day of _____, 2021 by its Resolution No. _____.

Jackie Sillman, City Clerk
City of Yuba City
Sutter County
State of California

| MAP REFERENCE NUMBER | ASSESSOR PARCEL NUMBER |
|----------------------|------------------------|
| 21 | 51-062-010 |
| 22 | 51-620-026 |
| 23 | 51-660-084 |
| 26 | 59-030-009 |
| 27 | 59-030-011 |
| 28 | 59-030-024 |

Filed this _____ day of _____, 2021, at the hour of _____ o'clock ____m. in Book _____ of Maps of Assessment and Community Facilities Districts at Page _____, in the Office of the County Recorder in Sutter County, State of California.

Donna Johnston
County Recorder
Sutter County
State of California

Deputy

Document No. _____
Fee: _____

ATTACHMENT 6

RESOLUTION NO. 21-048

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF YUBA CITY
DECLARING ITS INTENTION TO ESTABLISH CITY OF YUBA CITY COMMUNITY
FACILITIES DISTRICT NO. 2021-1 (MUNICIPAL SERVICES), TO AUTHORIZE THE LEVY OF
A SPECIAL TAX THEREIN TO FINANCE CERTAIN SERVICES AND TO AUTHORIZE THE
ANNEXATION OF FUTURE TERRITORY IN THE FUTURE ANNEXATION AREA TO THE
DISTRICT BY UNANIMOUS WRITTEN APPROVAL**

WHEREAS, the City Council of the City of Yuba City (the "City Council") has received a petition ("Petition") requesting the institution of proceedings for the formation of a community facilities district pursuant to the "Mello-Roos Community Facilities Act of 1982", being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the "Act"); and

WHEREAS, the City Council has determined that it is necessary and desirable to create a community facilities district pursuant to the terms and provisions of the Act, as amended, for the purpose of mitigating the financial impact of new development on maintenance and operation of public safety services, fire services, lighting, parkways, streets, roads, open space and any real property or other tangible property with an estimated useful life of five or more years that is owned by the City; and

WHEREAS, presented herewith, the City Council has previously reviewed the Hearing Report, dated August 23, 2017 ("Fiscal Report"), prepared by New Economics & Advisory, related to City of Yuba City Community Facilities District No. 2021-1 (Municipal Service) ("CFD 2021-1"), showing the fiscal impact on municipal services of new residential development in the City; and

WHEREAS, based on the Fiscal Report, the City Council previously established City of Yuba City Community Services District No. 2017-1 (Municipal Services) ("CFD 2017-1) and has annexed properties to CFD 2017-1; and

WHEREAS, the City Council believes that a community facilities district provides an appropriate way for new developments now and in the future to be able to mitigate their impact on services; and

WHEREAS, the City Council has decided to form a new community facilities district to provide more clarity to City staff and developments that are not in CFD 2017-1 and to update the taxes to the current date; and

WHEREAS, pursuant to Section 53328.1, and 53339.3 of the Government Code, the City Council further desires to undertake proceedings to provide for the future annexation of territory to CFD 2021-1, with the condition that a parcel or parcels within that territory may be annexed to the community facilities district and subjected to the special tax only with the unanimous approval of the owner or owners of the parcel or parcels at the time that the parcel or parcels are annexed; and

WHEREAS, notwithstanding the provision above, properties may annex to CFD 2021-1 through any procedure permitted by the Act, including an election of the qualified electors; and

WHEREAS, the Act authorizes the City Council to establish a community facilities district and to levy special taxes within the community facilities district.

NOW, THEREFORE, the City Council of the City of Yuba City resolves as follows:

1. Recitals. The above recitals are all true and correct.
2. Initiation of Proceedings. The City Council hereby declares its intention to conduct proceedings for the formation of a community facilities district pursuant to the provisions of the Act.
3. Policies. The City Council hereby determines that the formation of a community facilities district to fund public services necessary as a result of development within the area of the community facilities district is consistent with its "City of Yuba City – Statement of Policies and Procedures for Services Community Facility Districts", adopted May 18, 2021, by the City Council, which permits the funding of services authorized by the Act.
4. Name of CFD. The proposed community facilities district shall be known and designated as "City of Yuba City Community Facilities District No. 2021-1 (Municipal Services)" (the "CFD").
5. Boundaries of CFD. A description of the exterior boundaries of the territory proposed for inclusion in the CFD, including properties and parcels of land proposed to be subject to the levy of a special tax by the CFD, is as shown on the boundary map designated as "MAP OF PROPOSED BOUNDARIES OF CITY OF YUBA CITY COMMUNITY FACILITIES DISTRICT NO. 2021-1 (MUNICIPAL SERVICES), CITY OF YUBA CITY, COUNTY OF SUTTER, STATE OF CALIFORNIA" which is on file in the office of the City Clerk and is attached hereto as Exhibit A and hereby incorporated by reference ("the Property"). Pursuant to Streets and Highways Code Sections 3110 *et. seq.*, the City Clerk is hereby directed to record the map of the boundaries of the CFD within 15 days of adoption of this Resolution in the office of the Recorder of the County of Sutter.
6. Potential Future Annexations. A description of the exterior boundaries of the property proposed to be annexed to the area in the future upon unanimous approval of the owner or owners of the applicable parcel or parcels to the special tax at the time that the parcel or parcels are annexed is described on Exhibit B hereto and hereby incorporated by reference (the "Future Annexation Area"). Pursuant to Streets & Highways Code Sections 3110 *et. seq.*, the City Clerk is hereby directed to record the map of the boundaries of the Future Annexation Area within 15 days of adoption of this Resolution in the office of the Recorder of the County of Sutter.
7. Description of Services. It is the intention of this City Council to finance certain services described on Exhibit C hereto and by this reference incorporated herein (the "Services"). The City Council hereby finds that the Services are in addition to those provided in or required for the territory within the CFD prior to the establishment of the CFD and that such Services will not supplant services already available within that territory. The City Council hereby approves of the Fiscal Report. The City Council 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, once developed. 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 City 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, properties in the Future Annexation Area.

8. Special Tax. It is hereby further proposed that, except where funds are otherwise available to pay for the Services, a special tax sufficient to pay for such Services and related incidental expenses authorized by the Act (the "Special Tax" or "Special Taxes"), secured by recordation of a continuing lien against all non-exempt real property in the CFD, will be levied annually within the boundaries of the CFD and properties which are annexed in the Future Annexation Area. For further particulars as to the rate and method of apportionment of the Special Tax proposed to be levied within the CFD and properties in the Future Annexation Area, once annexed, reference is made to the attached Exhibit D which is incorporated herein by this reference, which sets forth in sufficient detail the rate and method of apportionment of the Special Tax among parcels of real property in the CFD (the "Rate and Method") to allow each landowner or resident within the CFD or annexed properties to clearly estimate the maximum amount that such person will have to pay for such special taxes for Services. The City Council hereby determines the Rate and Method set forth in Exhibit D to be reasonable.

The Special Taxes herein authorized, to the extent possible, shall be collected in the same manner as ad valorem property taxes and shall be subject to the same penalties, procedure, sale and lien priority in any case of delinquency as applicable for ad valorem taxes, or shall be collected in such other manner as may be provided by the City Council. Any Special Taxes that may not be collected on the County tax roll shall be collected through a direct billing procedure by the City Treasurer or duly appointed officer or agent of the City of Yuba City, as appointed by the City Council.

In accordance with Section 53339.3(d) of the Government Code, the City Council 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 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 CFD. In so finding, the City Council does not intend to limit its ability to levy a special tax in areas to be annexed to provide new or additional services beyond those supplied within the CFD.

The Rate and Method of Apportionment may be comprised of different Tax Zones to reflect impacts and rates as different properties are annexed to the CFD.

The City Council 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.

9. Joint Public Hearing on CFD and Future Annexation Area. Notice is given that on July 6, 2021, at the hour of 6 p.m. (or as soon thereafter as practical), in the regular meeting place of the City Council being the City Council Chambers, located at 1201 Civic Center Boulevard, Yuba City, CA 95993, a public hearing will be held where this City Council will consider the establishment of the proposed CFD and the Future Annexation Area, the extent of the CFD and the Future Annexation Area, the furnishing of the Services within the CFD and the Future Annexation Area, and the proposed Rate and Method, this resolution on the proposed Future Annexation Area and all other matters as set forth in this resolution of intention. At the above-mentioned time and place for the public hearing any persons interested, including taxpayers, persons registered to vote within the CFD and the Future Annexation Area and property owners within the CFD and Future Annexation Area, may appear and be heard. The testimony of all interested persons for or against the establishment of the CFD, the extent of the CFD, the Future Annexation Area, the furnishing of the services and the special taxes will be heard and

considered. Any protests may be made orally or in writing. However, any protests pertaining to the regularity or sufficiency of the proceedings shall be in writing and clearly set forth the irregularities and defects to which the objection is made. All written protests shall be filed with the City Clerk on or before the time fixed for the public hearing. Written protests may be withdrawn in writing at any time before the conclusion of the public hearing.

If 50 percent or more of the registered voters, or six registered voters, whichever is more, residing within the CFD, or if 50 percent or more of the registered voters or six registered voters, whichever is more, residing within the Future Annexation Area and not exempt from special tax, or if the owners of one-half or more of the area of land in the CFD or the Future Annexation Area and not exempt from special tax, or if the owners of one-half or more of the area of land in the CFD or the Future Annexation Area and not exempt from the special tax, file written protests against the CFD, the Future Annexation Area or the proposed annexation of territory to the CFD or the Future Annexation Area and protests are not withdrawn so as to reduce the protests to less than a majority, no further proceedings to form the CFD or annex the territory, or to authorize the same territory to be annexed in the future, shall be undertaken for a period of one year from the date of decision of the legislative body on the issues discussed at the hearing.

If such majority protest is limited to certain services or portions of the Special Tax, those services or that tax shall be eliminated by the City Council.

10. Election. If, following the public hearing described in Section 9 above, the City Council determines to establish the CFD and proposes to levy the Special Tax within the CFD, the City Council shall then submit the levy of the Special Taxes to the qualified electors of the CFD. The vote shall be by the landowners of the CFD (if there are fewer than 12 registered voters in the CFD) with each landowner or the authorized representative thereof, having one (1) vote for each acre or portion of an acre of land owned within the CFD.

The election shall be conducted by the City Clerk, and shall be held on a date selected by the City Council in conformance with the provisions of Section 53326 of the California Government Code and pursuant to the provisions of the California Elections Code, insofar as they may be applicable, or such date as agreed upon by the landowners of the CFD pursuant to a consent and waiver form executed by the CFD landowners. Pursuant to said Section 53326 the ballots for the election shall be distributed to the qualified electors of the CFD by mail with return postage prepaid or by personal service and the special election shall be conducted as a mail ballot election.

A successful election relating to the authorization of Special Tax shall establish the appropriations limit as authorized by Article XIII B of the California Constitution as it is applicable to the CFD.

11. Notice. Notice of the time and place of the public hearing shall be given by the City Clerk by causing a Notice of Public Hearing to be published in the legally designated newspaper of general circulation, such publication pursuant to Section 6061 of the Government Code, with such publication to be completed at least seven (7) days prior to the date set for the public hearing. In addition, notice of the time and place of said hearing may also be given by first-class mail to each registered voter and to each landowner within the proposed CFD as prescribed by Section 53322.4 of said Act. Said notice shall be published at least seven (7) days and, if mailed, at least fifteen (15) days before the date of the hearing, and shall contain the information required by said Section 53322 of the Act. Landowners within the CFD may waive notice as provided by the Act.

12. Exempt Properties. Except as provided in Section 53340.1 of the Act and except for properties that a local agency is a landowner of within the meaning of subdivision (f) of Section 53317 of the Act, pursuant to Section 53340 of the California Government Code, properties of entities of the state, federal, and local governments shall be exempt from the levy of Special Taxes for the financing of the Services of the proposed CFD. Reference is hereby made to the Rate and Method for a description of other properties or entities that are expressly exempted from the levy of the Special Taxes.

13. Necessity. The City Council finds that the proposed Services described in Section 7 hereof are necessary to meet increased demands placed upon the City as a result of new development occurring within the boundaries of the proposed CFD.

14. Annexation of Territory. Property may be annexed into the CFD pursuant to the provisions of the Act. Annexations within the Future Annexation Area may be effectuated by the unanimous approval of the qualified electors. A form of unanimous written approval (without the exhibits) is attached as Exhibit E and by this reference incorporated herein and is hereby approved, with such changes as permitted herein. The City Manager may make such changes to the form as he/she may deem to be appropriate for the CFD. The City Council shall receive, file and approve each unanimous approval of annexation to the CFD at a City Council Meeting and direct the City Clerk to file the applicable amended notice of lien and take any other requested actions. Each annexation shall be described (as near as possible in sequential form) as "Annexation No. ___ to the CFD" or words of similar import. Any properties located outside the City may be annexed to the CFD upon annexation to the City, or as otherwise provided by the Act.

Pursuant to Section 53329.6 of the Act, in order to reduce the procedural burdens on local agencies, the City Council hereby authorizes that property owners may vote in favor of special taxes, an appropriations limit, and annexation to the CFD by unanimous approval as provided in the Act. The State Legislature has declared that any unanimous approval constitutes the vote of the qualified elector in favor of the matters addressed in the unanimous approval for purposes of the California Constitution, including, but not limited to, Articles XIII A and XIII C.

15. Public Interest. Pursuant to Section 53329.5(c) of the Act, the City Council finds, in its opinion, the public interest will not be served by allowing property owners in the CFD to enter into a contract pursuant to Section 53329.5(a) of the Act.

16. Advances. The City or CFD may accept advances of funds or work-in-kind from any source, including, but not limited to, private persons or private entities, and is authorized and directed to use such funds or that work-in-kind for any authorized purpose, including, but not limited to, paying any cost incurred by the City in creating the CFD. The City or CFD may enter into an agreement with the person or entity advancing the funds or work-in-kind, to repay all or a portion of the funds advanced, or to reimburse the person or entity for the value, or cost, whichever is less, of the work-in-kind, as determined by the City Council, with or without interest.

17. Reports. The City Manager, together with each City officer who is or will be responsible for providing one or more of the proposed types of services to be financed by the CFD, if it is established, is hereby directed to study the proposed CFD and, at or before the time of the public hearing, file a report with the City Council, which is to be part of the record of the public hearing, containing the following: (i) a brief description of the services by type that will in the City officer's opinion be required to adequately meet the needs of the CFD and Future Annexation Area and (ii) an estimate of the cost of providing those services.

18. Effectiveness. This Resolution is effective upon passage.

The foregoing resolution was duly and regularly introduced, passed, and adopted by the City Council of the City of Yuba City at a regular meeting thereof held on the 18th day of May, 2021.

AYES: Councilmembers Espindola, Harris, Kirchner, Shaw, and Mayor Boomgaarden

NOES: None

ABSENT: None

ATTEST:


Ciara Wakefield, Deputy City Clerk





Marc Boomgaarden, Mayor

APPROVED AS TO FORM
COUNSEL FOR YUBA CITY:



Shannon Chaffin, City Attorney
Aleshire & Wynder, LLP

- Exhibit "A" – Map of Proposed Boundaries
- Exhibit "B" – Map of Future Annexation Area
- Exhibit "C" – Description of Services
- Exhibit "D" – Rate and Method of Apportionment
- Exhibit "E" – Form of Unanimous Written Approval

STATE OF CALIFORNIA)
COUNTY OF SUTTER) ss
CITY OF YUBA)

I, Ciara Wakefield, Deputy City Clerk of the City of Yuba City, do hereby certify that the foregoing Resolution No. _____ was duly passed and adopted at a regular meeting of the City Council of the City of Yuba City held on the 18th day of May, 2021.

Upon motion of Council Member _____, seconded by Council Member _____, the foregoing Resolution No. _____ was duly passed and adopted.

Vote on the motion:

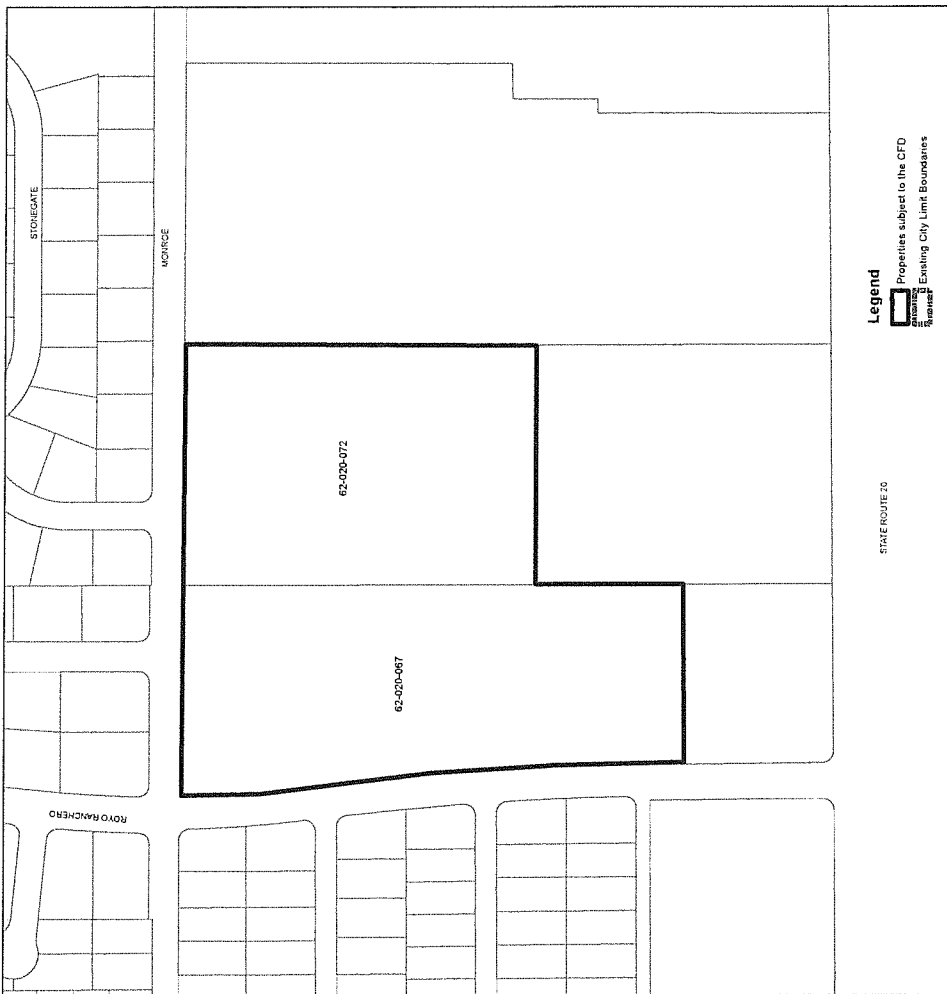
AYES:
NOES:
ABSENT:

IN WITNESS WHEREOF, I have hereunto set my hand and the Official Seal of the City of Yuba City this 18th day of May, 2021.

CIARA WAKEFIELD, DEPUTY CITY CLERK

EXHIBIT "A"

PROPOSED BOUNDARY MAP
CITY OF YUBA CITY COMMUNITY FACILITIES DISTRICT No. 2021-1 (MUNICIPAL SERVICES)
DUNN RANCH - UNIT 1
CITY OF YUBA CITY
SUTTER COUNTY, STATE OF CALIFORNIA



Filed in the Office of the City Clerk this _____ day of _____, 2021.

Jackie Silliman, City Clerk
City of Yuba City
Sutter County
State of California

I hereby certify that the within map showing proposed boundaries of CFD 2021-1 in the City of Yuba City, Sutter County, State of California, was approved by the City Council of the City of Yuba City at a regular meeting thereof, held on the _____ day of _____, 2021 by its Resolution No. _____.

Jackie Silliman, City Clerk
City of Yuba City
Sutter County
State of California

Filed this _____ day of _____, 2021, at the hour of _____ o'clock _____ m. in Book _____ of Maps of Assessment and Community Facilities Districts at Page _____ in the Office of the County Recorder in Sutter County, State of California.

Donna Johnston
County Recorder
Sutter County
State of California

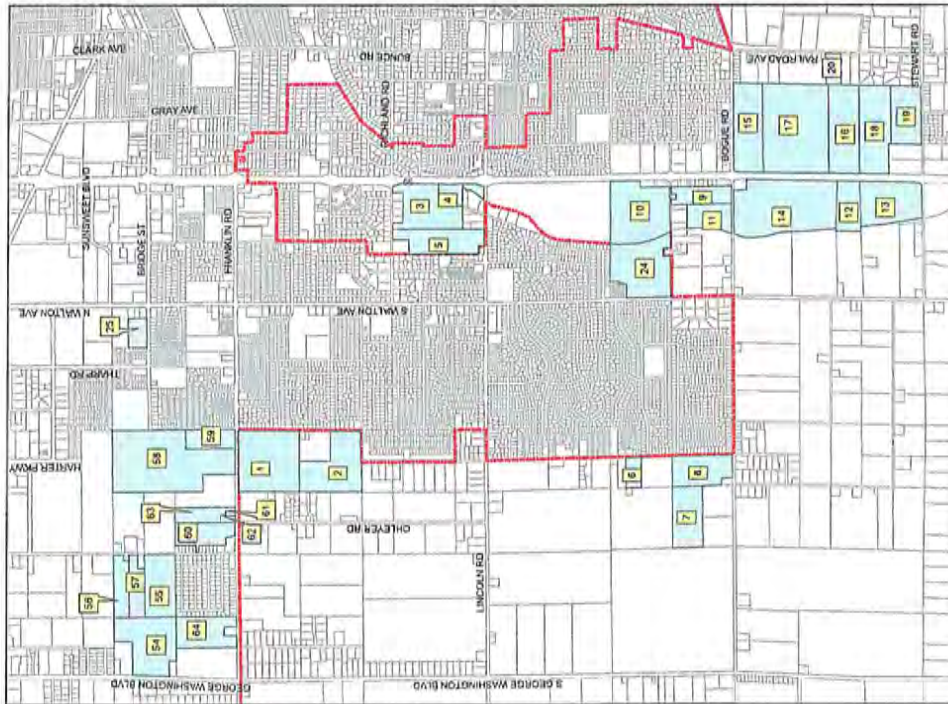
Deputy _____
Document No. _____
Fee: _____

STATE ROUTE 20
Legend
Properties subject to the CFD
Existing City Limit Boundaries



EXHIBIT "B"

PROPOSED FUTURE ANNEXATION AREA MAP
CITY OF YUBA CITY COMMUNITY FACILITIES DISTRICT No. 2021-1 (MUNICIPAL SERVICES)
CITY OF YUBA CITY
SUTTER COUNTY, STATE OF CALIFORNIA



| MAP REFERENCE NUMBER | ASSESSOR PARCEL NUMBER |
|----------------------|------------------------|
| 1 | 20-030-121 |
| 2 | 20-030-122 |
| 3 | 20-054-005 |
| 4 | 20-054-022 |
| 5 | 20-054-027 |
| 6 | 22-040-003 |
| 7 | 22-040-010 |
| 8 | 22-040-063 |
| 9 | 22-040-013 |
| 10 | 22-060-050 |
| 11 | 22-060-051 |
| 12 | 23-010-005 |
| 13 | 22-080-120 |
| 14 | 23-010-177 |
| 15 | 23-040-001 |
| 16 | 23-040-006 |
| 17 | 23-040-005 |
| 18 | 23-040-052 |
| 19 | 23-040-064 |
| 20 | 23-380-007 |
| 24 | 56-030-055 |
| 25 | 56-060-005 |
| 54 | 63-040-003 |
| 55 | 63-040-005 |
| 56 | 63-040-006 |
| 57 | 63-040-008 |
| 58 | 63-040-010 |
| 59 | 63-040-011 |
| 60 | 63-040-016 |
| 61 | 63-040-017 |
| 62 | 63-040-019 |
| 63 | 63-040-019 |
| 64 | 63-040-024 |

Filed in the Office of the City Clerk this _____ day of _____, 2021.

Jackie Sillman, City Clerk
City of Yuba City
Sutter County
State of California

I hereby certify that the within map showing proposed future annexation area of CFD 2021-1 in the City of Yuba City, Sutter County, State of California, was approved by the City Council of the City of Yuba City at a regular meeting thereof, held on the _____ day of _____, 2021 by its Resolution No. _____.

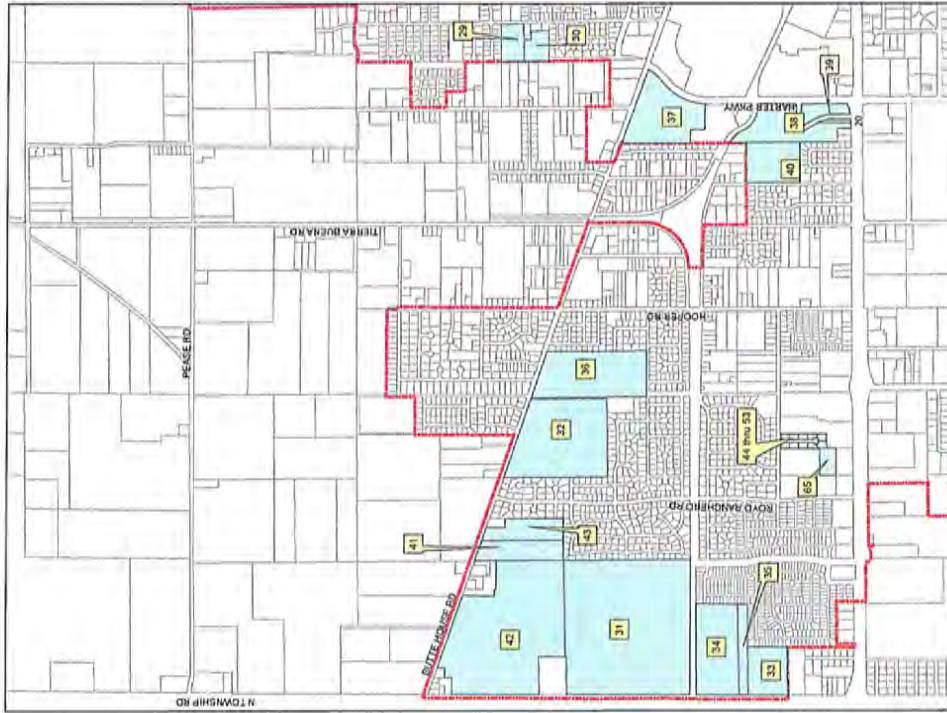
Jackie Sillman, City Clerk
City of Yuba City
Sutter County
State of California

Filed this _____ day of _____, 2021, at the hour of _____ o'clock _____ m. in Book _____ of Maps of Assessment and Community Facilities Districts at Page _____ in the Office of the County Recorder in Sutter County, State of California.

Donna Johnston
County Recorder
Sutter County
State of California

Deputy
Document No. _____
Fee: _____

PROPOSED FUTURE ANNEXATION AREA MAP
CITY OF YUBA CITY COMMUNITY FACILITIES DISTRICT No. 2021-1 (MUNICIPAL SERVICES)
CITY OF YUBA CITY
SUTTER COUNTY, STATE OF CALIFORNIA



| MAP REFERENCE NUMBER | ASSESSOR PARCEL NUMBER |
|----------------------|------------------------|
| 29 | 55-530-008 |
| 30 | 55-530-007 |
| 31 | 65-010-030 |
| 32 | 65-010-031 |
| 33 | 65-000-079 |
| 34 | 65-000-080 |
| 35 | 65-000-081 |
| 36 | 65-003-007 |
| 37 | 65-310-004 |
| 38 | 65-310-011 |
| 39 | 65-310-012 |
| 40 | 65-310-013 |
| 41 | 65-380-011 |
| 42 | 65-380-033 |
| 43 | 65-380-042 |
| 44 | 65-420-001 |
| 45 | 65-420-002 |
| 46 | 65-420-003 |
| 47 | 65-420-004 |
| 48 | 65-420-005 |
| 49 | 65-420-006 |
| 50 | 65-420-007 |
| 51 | 65-420-008 |
| 52 | 65-420-009 |
| 53 | 65-420-010 |
| 54 | 65-420-011 |
| 55 | 65-420-014 |

Filed in the Office of the City Clerk this _____ day of _____, 2021.

Jackie Sillman, City Clerk
 City of Yuba City
 Sutter County
 State of California

I hereby certify that the within map showing proposed future annexation area of CFD 2021-1 in the City of Yuba City, Sutter County, State of California, was approved by the City Council of the City of Yuba City at a regular meeting thereof, held on the _____ day of _____, 2021 by its Resolution No. _____.

Jackie Sillman, City Clerk
 City of Yuba City
 Sutter County
 State of California

Filed this _____ day of _____, 2021, at the hour of _____ o'clock _____ m. in Book _____ of Maps of Assessment and Community Facilities Districts at Page _____ in the Office of the County Recorder in Sutter County, State of California.

Donna Johnston
 County Recorder
 Sutter County
 State of California

Deputy _____
 Document No. _____
 Fee: _____



PROPOSED FUTURE ANNEXATION AREA MAP
 CITY OF YUBA CITY COMMUNITY FACILITIES DISTRICT No. 2021-1 (MUNICIPAL SERVICES)
 CITY OF YUBA CITY
 SUTTER COUNTY, STATE OF CALIFORNIA



| MAP REFERENCE NUMBER | ASSESSOR PARCEL NUMBER |
|----------------------|------------------------|
| 21 | 51-662-010 |
| 22 | 51-629-026 |
| 23 | 51-660-084 |
| 26 | 59-030-009 |
| 27 | 59-030-011 |
| 28 | 59-030-024 |

Filed in the Office of the City Clerk this _____ day of _____, 2021.

Jackie Sillman, City Clerk
 City of Yuba City
 Sutter County
 State of California

I hereby certify that the within map showing proposed future annexation area of CFD 2021-1 in the City of Yuba City, Sutter County, State of California, was approved by the City Council of the City of Yuba City at a regular meeting thereof, held on the _____ day of _____, 2021 by its Resolution No. _____.

Jackie Sillman, City Clerk
 City of Yuba City
 Sutter County
 State of California

Filed this _____ day of _____, 2021, at the hour of _____ o'clock _____ m. in Book _____ of Maps of Assessment and Community Facilities Districts at Page _____ in the Office of the County Recorder in Sutter County, State of California.

Donna Johnston
 County Recorder
 Sutter County
 State of California

Deputy
 Document No. _____
 Fee _____

EXHIBIT "C"

LIST OF SERVICES

The Services to be funded by the CFD include the following services and all incidental expenses related to such services, all of which are authorized by the Act:

PUBLIC SERVICES

- (a) Police protection services;
- (b) Fire protection and suppression services, ambulance and paramedic services;
- (c) maintenance of parks, parkways, streets, roads, and open space;
- (d) flood and storm protection services, including but not limited to the maintenance of storm drainage systems and sandstorm protection systems,
- (e) Services with respect to the removal or remedial action for the cleanup of any hazardous substance released or threatened to be released into the environment, subject to the limitations contained in Section 53313 of the Act;
- (f) Maintenance and operation of any real property or other tangible property with an estimated useful life of five or more years that is owned by the local agency or by another local agency pursuant to an agreement entered into under Section 53316.2; and
- (g) costs incurred by the City and or County in formation of the district, annexation and annual contract administration.

In accordance with Section 53313 of the Act, the additional services may not supplant services available within the territory when the district was created or annexed.

The same types of services which are authorized to be financed by CFD No. 2021-1 are the types of services to be provided in the Future Annexation Area, as properties are annexed.

The services include operational and maintenance costs associated with providing such services.

EXHIBIT "D"

**CITY OF YUBA CITY
COMMUNITY FACILITIES DISTRICT NO. 2021-1
(MUNICIPAL SERVICES)
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX**

A Special Tax applicable to each Assessor's Parcel in Community Facilities District No. 2021-1 (Municipal Services) [herein "CFD No. 2021-1"] shall be levied and collected according to the tax liability determined by the City Council, acting in its capacity as the legislative body of CFD No. 2021-1, through the application of the appropriate Special Tax rate, as described below. All of the property in CFD No. 2021-1, unless exempted by law or by the provisions of Section E below, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acreage" or **"Acre"** means the land area making up an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable final subdivision map or other parcel map recorded at the County Recorder's Office.

"Administrative Expenses" means the costs incurred by the City to determine, levy and collect the Special Tax, including salaries of City employees and fees of consultants and the costs of collecting installments of the Special Taxes upon the general tax rolls; preparation of required reports, and any other costs required to administer the CFD No. 2021-1 as determined by the Finance Director.

"Administrator" means the person or firm designated by the City to administer the Special Taxes according to this Rate and Method of Apportionment of Special Tax.

"Annual Tax Escalation Factor" means an annual increase in the Maximum Special Tax following the Base Year in an amount not to exceed four percent (4%). The Annual Tax Escalation Factor shall be based on the budgeted escalation of the City of Yuba City's combined Police and Fire Departments from the previous fiscal year.

"Assessor's Parcel" or **"Parcel"** means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor designating parcels by Assessor's Parcel number.

"Authorized Services" means the public services authorized to be funded by CFD No. 2021-1 as set forth in the documents adopted by the City Council when the CFD No. 2021-1 was formed.

"Base Year" means Fiscal Year 2020-2021.

"City" means the City of Yuba City.

"City Council" means the City Council of the City of Yuba City, acting as the legislative body of CFD No. 2021-1.

"County" means Sutter County, California.

"Developed Residential Property" means, in any Fiscal Year, all Parcels of Taxable Property for which a use permit or building permit for new construction of a residential structure was issued prior to June 30 of the preceding Fiscal Year.

"Finance Director" means the Finance Director for the City or his or her designee or successor.

"Fiscal Year" means the period starting on July 1 and ending on the following June 30.

"Maximum Special Tax" means the maximum Special Tax determined in accordance with Section C below that can be levied on Taxable Property in any Fiscal Year.

"Multi-Family Property" means, in any Fiscal Year, all units in CFD No. 2021-1 for which a building permit was issued or may be issued for construction of a residential structure with multiple units that share common walls, all of which are offered for rent to the general public.

"Public Property" means any property within the boundaries of CFD No. 2021-1 that is owned by the federal government, State of California, County, City, or other public agency.

"Residential Unit(s)" means an individual lot of land for which a building permit could be issued to construct one or more residential dwelling units.

"Residential Property" means all Assessor's Parcels of Taxable Property for which a map has been recorded designating individual Residential Units.

"Non-Residential Property" means all Assessor's Parcels of Taxable Property within the boundaries of CFD No. 2021-1 for which a map has been recorded designating the Assessor's Parcel as a lot for which a building permit could be issued and the Assessor's Parcel cannot be classified as a Residential Property.

"Special Tax" means any tax levied to pay for Authorized Services and Administrative Expenses.

"Single Family Property" means buildings containing one dwelling unit located on a single lot that are individually owned, including attached or detached residences (i.e., townhome unit and/or condominium units).

"Taxable Property" means all Assessor's Parcels within the boundaries of CFD No. 2021-1 designated as Developed Residential Property.

"Undeveloped Residential Property" means all Parcels of Residential Property within the boundaries of CFD No. 2021-1 that are not Developed Residential Property, as determined by the Administrator.

"Unit" means an individual single family detached unit or an individual residential unit within a duplex, triplex, fourplex, townhome, condominium, or apartment structure.

CATEGORIZING PARCELS FOR ANNUAL TAX LEVY

Each Fiscal Year, the Administrator shall identify the current Assessor's Parcel numbers for all Parcels within CFD No. 2021-1, and each parcel shall be classified as Developed Residential Property, Non-Residential Property, Public Property, or Undeveloped Residential Property, and shall be subject to the levy of annual Special Taxes determined pursuant to Sections C and D below.

B. MAXIMUM SPECIAL TAX RATE

All Taxable Property within the CFD No. 2021-1 shall be subject to a Maximum Special Tax that will be levied each Fiscal Year to pay for Authorized Services. As discussed above, the Administrator shall rely first on the Land Use Designation for a Parcel to determine the appropriate Maximum Special Tax in **Table 1**, below, but, in the absence of an assigned Land Use Designation, the Administrator shall refer to the Zoning Designation and land use to be built on the Parcel. The following Maximum Special Tax rates apply to all Parcels of Developed Property within CFD No. 2021-1:

Each Residential Unit is subject to the Maximum Special Tax shown in **Table 1**, below.

Non- Residential Property, Undeveloped Property, and Public Property is not subject to the Maximum Special Tax.

Table 1

| Property Land Use | Fiscal Year 2020/21 Maximum Special Tax Amount * |
|----------------------------------|---------------------------------------------------------|
| Single Family Property | \$467.10 per Single Family Residential Unit |
| Multi-Family Property | \$340.70 per Multi-Family Residential Unit |
| Undeveloped Residential Property | \$0 per Assessor's Parcel |

* Beginning July 1, 2021 and each July 1 thereafter, all of the Maximum Special Taxes shown in **Table 1** above shall be adjusted by applying the Annual Tax Escalation Factor.

C. METHOD OF LEVY AND COLLECTION OF SPECIAL TAX

Each Fiscal Year, the Administrator shall levy the Maximum Special Tax on each Parcel of Developed Property in CFD No. 2021-1. The Special Tax for CFD No. 2021-1 shall be collected in the same manner and at the same time as ordinary ad valorem property taxes provided, however, that CFD No. 2021-1 may (under the authority of Government Code Section 53340) in any particular case bill the taxes directly to the property owner off the County tax roll, and the Special Tax will be equally subject to foreclosure if delinquent.

D. LIMITATIONS

Notwithstanding any other provision of this Rate and Method of Apportionment of Special Tax, no Special Tax shall be levied on Public Property, Non-Residential Property, or Undeveloped Residential Property.

E. FUTURE ANNEXATIONS

It is anticipated that additional properties will be annexed to CFD No. 2021-1 from time to time. The property to be annexed will be assigned to the appropriate Maximum Special Tax rate for the Tract or Tracts when annexed, as pursuant to California Government Code section 53339 et seq.

In certain cases, it may be determined that a potential property to be annexed may require a higher cost to provide City services than other areas of the City (e.g., if it possesses a large quantity of City- owned infrastructure that requires maintenance). As each annexation is proposed, the City may elect to prepare an analysis to determine the annual cost for providing Services, and may incorporate unique zones with varying Maximum Special Tax rates. Such zones may be referred to by reference to a letter or number on the boundary map, and adjust the rates in Table 1 of such annexation to reflect the applicable rates.

The City may adopt a future annexation area in the future and allow for annexation by unanimous written consent.

F. INTERPRETATION OF SPECIAL TAX FORMULA

The City reserves the right to make minor administrative and technical changes to this document that do not materially affect the rate and method of apportioning the Special Tax. In addition, the interpretation and application of any section of this document shall be left to the City's discretion. Interpretations may be made by the City by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Tax.

G. TERM

The Special Tax shall be collected in perpetuity.

H. APPEALS

Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the Administrator not later than twelve months after having paid the first installment of the Special Tax that is disputed. The Administrator shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and rule on the appeal. If the decision of the Administrator requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the property owner, a cash refund shall not be made but an adjustment shall be made to the Special Tax on that Assessor's Parcel in the subsequent Fiscal Year(s) to compensate for the overpayment of the Special Tax.

EXHIBIT "E"

**UNANIMOUS APPROVAL
of Annexation to a Community Facilities District and Related Matters**

City of Yuba City

**Community Facilities District No. 2021-1
(Municipal Services)**

Annexation No. _____

To the Honorable City Council
City of Yuba City, as legislative body of
Community Facilities District No. 2021-1
(Municipal Services)
1201 Civic Center Boulevard,
Yuba City, California 95993

Members of the City Council:

This constitutes the Unanimous Approval (the "Unanimous Approval") of _____, the record owner(s) (the "Property Owner") of the fee title to the real property identified below (the "Property") contemplated by Section 53339.3 et seq. of the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), to the annexation of the Property to the "City of Yuba City Community Facilities District No. 2021-1 (Municipal Services)" (the "CFD") and approval of the special taxes to be levied against the Property, and the undersigned hereby states, certifies, agrees and declares under penalty of perjury, as follows:

1. Property Owner. This Unanimous Approval is submitted by the Property Owner as the record owner(s) of fee title to the Property. The Property Owner has supplied to the City current evidence of its ownership of fee title to the Property. No parties are residing on the Property and therefore there are no registered voters on the Property.

2. Approval of Annexation. This Unanimous Approval constitutes the unanimous approval and unanimous vote by the Property Owner in favor of the annexation of the Property to the CFD. The CFD was formed to finance the municipal services, which are incorporated herein by this reference (the "Services") described in Exhibit A hereto and made a part hereof. In such connection Property Owner has reviewed the list of the Services and hereby agrees, consents and approves to the Services and the Annexation of the Property to the CFD for the benefit of the City and the CFD.

3. Approval of Special Tax and the Services. This Unanimous Approval constitutes the unanimous approval and unanimous vote by the Property Owner in favor of the levy of special taxes (the "Special Taxes") on the Property to finance the Services. The Special Taxes will be levied according to the Rate and Method of Apportionment of Special Taxes for the CFD attached hereto as Exhibit B and made a part hereof (the "Rate and Method"). In such connection property owner consents and approves of the Rate and Method and understands that such taxes shall be levied against the Property.

4. Approval of the Appropriations Limit. This Unanimous Approval constitutes the unanimous approval and unanimous vote by the Property Owner in favor of the appropriations limit established for the CFD. The Property Owner hereby approves, consents and agrees to the appropriations limit for the CFD of \$1,700,000, pursuant to Article XIII B of the California Constitution, as adjusted for changes in the cost of living and changes in the population.

5. Waivers and Vote. Resolution Nos. _____ and _____ adopted by the City Council on _____ and _____ and Sections 53328.1 and 53339.3 of the Act provide an alternate and independent procedure for annexation to a community facilities district that simplifies the annexation process. Under such process, the Property Owner acknowledges and agrees that by executing this Unanimous Approval, the Property Owner is voluntarily waiving any and all right to an election held in accordance with Sections 53326, 53327, 53327.5, 53328, 53339.7, 53339.8 and other relevant provisions of the Act. The Property Owner hereby confirms that this Unanimous Approval constitutes its unanimous approval and unanimous vote as described herein and as contemplated by Section 53339.3 *et seq.* of the Act and for purposes of the California Constitution Article XIII A and XIII C. In lieu of an approval by public hearing, ballot and election, if any, the Property Owner intends for this Unanimous Approval to constitute its ballot and election and waiver of a public hearing. Further, the Property Owner hereby waives all other rights with respect to the annexation of the Property, the levy of the Special Taxes on the Property in accordance with the rate and method of apportionment and the other matters covered in this Unanimous Approval.

6. Recordation of Amendment to Notice of Special Tax Lien. The Notice of Special Tax Lien for the CFD was recorded in the Office of the County Recorder of the County of Sutter, State of California on _____, as Document No. _____.

The Property Owner hereby understands and agrees, consents and approves to the City Clerk, or City designee, to execute and cause to be recorded in the office of the County Recorder of the County of Sutter an amendment to the Notice of Special Tax Lien for the CFD as required by Section 3117.5 of the California Streets and Highways Code. The amendment to the Notice of Special Tax Lien shall include the Rate and Method as an exhibit thereto.

7. Authority Warranted. The Property Owner warrants to the City that the presentation of this Unanimous Approval, any votes, consents or waivers contained herein, and other actions for the annexation of the Property to the CFD and the levy of special taxes within the area of the Property shall do not constitute events of default or delinquencies under any existing or proposed financing documents entered into or to be entered into by the Property Owner for the Property, including any "due-on-encumbrance" clauses under any existing security instruments secured by the Property.

8. Due Diligence and Disclosures. The Property Owner agrees to cooperate with the City and its attorneys and consultants and to provide all information and disclosures required by the City and/or the Act about the Special Taxes to purchasers of the Property or any part of it.

9. Agreements. The Property Owner further agrees to execute such additional or supplemental agreements as may be required by the City to provide for any of the actions and conditions

described in this Unanimous Approval, including any cash deposit required to pay for the City's costs in annexing the Property to the CFD.

10. The Property. The Property is identified below, and such Property Owner approves, consents and agrees that Property will be subject to the CFD upon recordation of the amendment to the Notice of Special Tax Lien. [The Property is located in the Future Annexation Area of the CFD and the map is attached] or [The map demonstrating the annexed Property area is entitled "Annexation Map No. ____ of City of Yuba City Community Facilities District No. 2021-1 (Municipal Services)" and is attached hereto as Exhibit C.]

Assessor's Parcel Number(s):

| APN | Acreage | Anticipated Units | Property Owner |
|-----|---------|-------------------|----------------|
| | | | |
| | | | |
| | | | |

Property Addresses:

[No Address]

Acres: _____

By executing this Unanimous Approval, the Property Owner agrees, consents, declares and certifies to all of the above.

Annexation No. _____

Property Owner

By: [NAME OF PROPERTY OWNER]

By: _____

Name: _____

Title: _____

Notice Address

EXHIBIT A

**City of Yuba City
Community Facilities District No. 2021-1
(Municipal Services)**

DESCRIPTION OF SERVICES

EXHIBIT B

City of Yuba City

Community Facilities District No. 2021-1

(Municipal Services)

RATE AND METHOD OF APPORTIONMENT

The Special Tax shall be levied in Annexation No. ___ in accordance with the Rate and Method of Apportionment of Special Tax for City of Yuba City Community Facilities District No. 2021-1 (Municipal Services) pursuant to the rate set forth in the attachment hereto.

EXHIBIT C

Yuba City

Community Facilities District No. 2021-1

(Municipal Services)

[ANNEXATION MAP NO. _____ OF YUBA CITY COMMUNITY FACILITIES DISTRICT NO. 2021-1

(MUNICIPAL SERVICES)] OR [MAP OF FUTURE ANNEXION AREA]

[see attached]

ATTACHMENT 3

**PETITION TO FORM
CITY OF YUBA CITY COMMUNITY FACILITIES DISTRICT NO. 2021-1
(MUNICIPAL SERVICES)
AND WAIVER WITH RESPECT TO CERTAIN RELATED MATTERS**

TO THE CITY COUNCIL
CITY OF YUBA CITY
1201 Civic Center Boulevard,
Yuba City, California 95993

Members of the Council:

This is (i) a petition to request that the City Council of the City of Yuba City (the "City Council") institute proceedings to form the City of Yuba City Community Facilities District No. 2021-1 (Municipal Services) (the "CFD") pursuant to the Mello-Roos Community Facilities Act of 1982, California Government Code Section 53311 and following (the "Act"), and (ii) a waiver of certain time limits and requirements in connection with the public hearing and election to be held by the City Council in connection with the formation of CFD.

THE UNDERSIGNED (THE "PETITIONER") EXECUTES THIS PETITION AND WAIVER BASED ON THE UNDERSTANDING THAT THE CFD WILL LEVY A SPECIAL TAX ONLY ON REAL PROPERTY THAT IS OWNED IN FEE BY THE UNDERSIGNED, THE DEVELOPER/PROPERTY OWNER OF THE PROPOSED PROJECT.

The undersigned hereby states, certifies represents and agrees and declares under penalty of perjury as follows:

- I. **Petitioner.** This petition and waiver is submitted by the person identified below as the owner or the authorized representative(s) of the owner of the parcel(s) of land identified below (the "Property"). By submitting this petition, such person warrants to the City of Yuba City (the "City") that he or she is either the owner of the Property or is legally authorized by the owner of such land to execute this petition and waiver. Furthermore, such person warrants that there are no registered voters residing on such Property and that he or she is the owner of one hundred percent (100%) of the area of such Property and that there are no liens or encumbrances on such land in the favor of any lender, including but not limited to any deeds of trust, mortgages, leases, or liens of a similar nature. The undersigned is authorized to represent the landowner identified below to request and petition the City Council (the "Council") of the for formation of the CFD and to authorize certain other requests, consents and waivers contained herein and to execute any ballots or other documents in connection with the

annexation. The boundaries of the Property for the CFD are described on Exhibit A hereto and by this reference incorporated herein.

- II. **Proceedings Requested.** Petitioner hereby requests, pursuant to Sections 53318 and 53339 *et. seq.* of the Act, that the City Council, undertake proceedings under the Act to form the CFD with the Property and to levy special taxes on said real property within the CFD. The undersigned requests that proceedings be commenced (i) form the the CFD for the purpose of financing the serviced described below, (ii) to authorize the levy of special taxes on the Property in accordance with the rate and method of apportionment of the CFD which is attached hereto as Exhibit C and by this reference incorporated herein (“RMA”) to finance the above-mentioned services, incidental expenses and fees, and (iii) to establish and/or change an appropriations limit for the CFD and any future annexations to the CFD.
- III. **Boundaries of the CFD.** Petitioner asks that the territory to be included in the boundaries of the CFD consist of the boundaries which are described as the exterior boundaries of the property more particularly shown on a map thereof attached hereto as Exhibit A (and incorporated herein by this reference) and to be filed in the office of the County Clerk of Sutter County following formation, which indicates by a boundary line the extent of the territory included in the proposed CFD and which shall govern for all details as to the extent of the CFD at the time of formation. The Petitioner understands that there will be a future annexation area included in the formation proceedings for the CFD.
- IV. **Purpose of the CFD.** Petitioner asks that the CFD be created, the special taxes be levied to finance and to provide the public services shown in Exhibit B attached hereto and incorporated herein by this reference (“Services”). The Petitioner has reviewed the list of Services and the RMA related to the special taxes. Petitioner hereby consents to the levy of the special taxes pursuant to the RMA and the funding of the Services to be levied perpetually on the Property.
- V. **Proceedings, Hearings, Consent.** Petitioner requests that proceedings to form the CFD and hold the special election be commenced and completed on the same date if possible, including the public hearing, the resolution of formation, the resolution calling the special election and the resolution declaring the results of the election. Petitioner knowingly hereby waives any time periods, notices, requirements of law or other proceedings in order to accomplish such formation and election on special taxes and an appropriations limit. Petitioner as sole property owner unanimously consents to the inclusion of the Property described herein in the CFD, to form the CFD, and to the special taxes to be levied on the property to pay for the Services and the appropriations limit of \$1,700,000 in the CFD or as determined by the City, as it may be adjusted annually.
- VI. **Election.** Petitioner hereby requests that the City Council consolidate the special election to be held under the Act to authorize the special taxes for the CFD and authorize an appropriations limit into a single election, or an election

with two propositions, if convenient, and that the City and its officials conduct the election using mailed or hand-delivered ballots, and that the election be held, and such ballots be opened and canvassed and the results certified at the same meeting of the City Council as the public hearings held regarding the formation to the CFD pursuant to the Act or as soon thereafter as possible. In such connection, Petitioner waives all time periods, formalities and notices relating to the election, form of ballot, publication of items, arguments, tax statements or other requirements.

- VII. Waivers.** To expedite the completion of the proceedings for annexation to the CFD as requested by Petitioner, the Petitioner hereby waives all notices of hearings required under the Act, all notices of election, applicable waiting periods under the Act for public hearings and the Elections Code for the election, all ballot analysis and arguments for the election and any other requirements of the Government Code and the Elections Code applicable to the formation of the CFD and the Election.

In accordance with the provisions of the Act, and specifically Sections 53326(a) and 53327(b) thereof, allowing certain time and conduct requirements relative to a special landowner election to be waived with the unanimous consent of all the landowners to be included or annexed to a community facilities district and concurrence of the election official conducting the election, the undersigned (i) expressly consents to the conduct of the special election at the earliest possible time following the adoption by the Council of a resolution forming the CFD and (ii) expressly waives any requirement to have the special election conducted within the time periods specified in Section 53326 of the Act or in the California Elections Code.

- VIII. Outstanding Debt.** The Petitioner warrants that there is no outstanding debt on the Property.
- IX. Additional Agreements.** Petitioner agrees to execute such additional or supplemental agreements as may be required by the City to provide for any actions and conditions under this petition, including any amount of cash deposit required to pay for the City's costs related to forming the CFD. The Petitioner further agrees that this petition shall not be considered as filed with the City for purposes of commencing proceedings for the CFD under the Act unless and until deemed filed by the City in its absolute discretion.
- X. Cooperation.** The Petitioner agrees to cooperate with the City, its attorneys and consultants and provide all information required by the City regarding the special taxes to purchasers of the Property or any part of it.
- XI. Counsel.** The Petitioner has had the opportunity to consult its own counsel related to the formation of the CFD and the levy of special taxes and has consulted with such counsel or has voluntarily chosen not to do so. Petitioner understands the consequences of the CFD and the notices required to be

provided to future property owners related to the CFD and will provide such notices as required from the Petitioner to future owners.

[Remainder of Page Intentionally Left Blank]

This petition is dated and executed May __, 2021.

The Petitioner is:

INTERWEST HOMES, CORP.

By: _____

Name: _____ James R Scott, President _____

By: _____

Name: _____ Nancy Tiff, Secretary _____

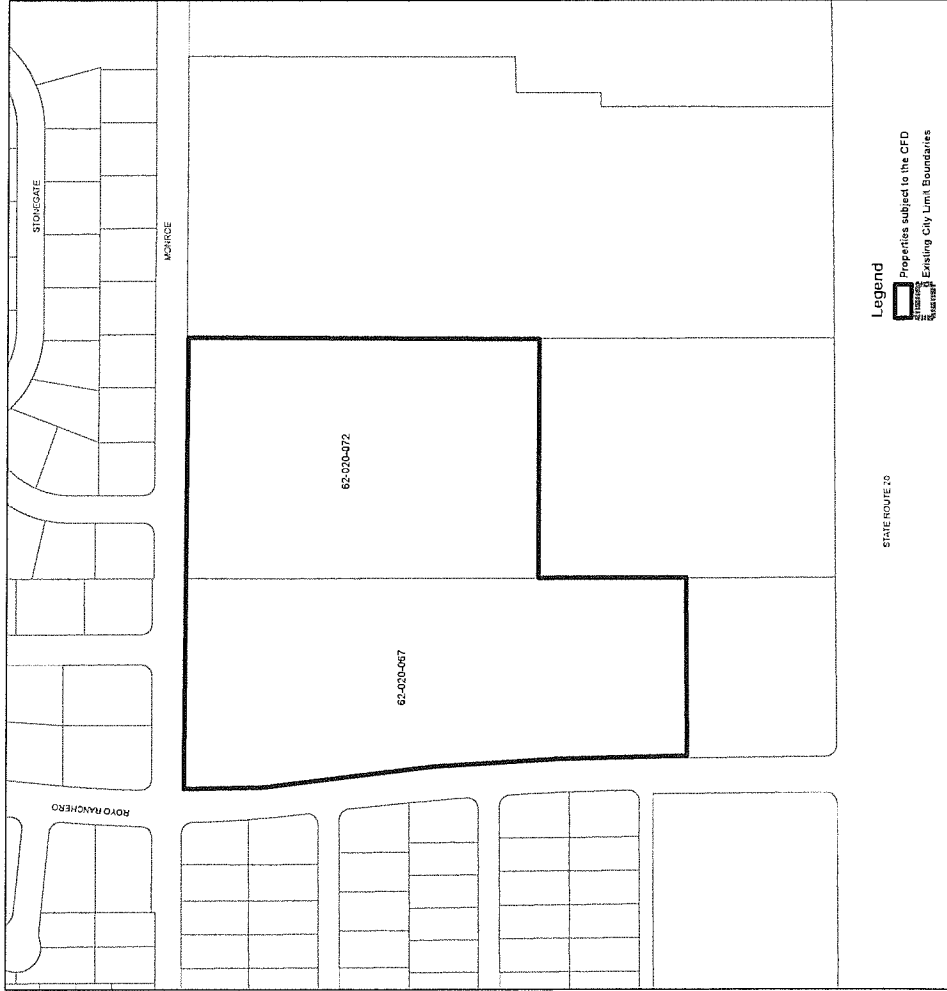
The address of the above owner for receiving notices and ballots is:

Interwest Homes, Corp.
950 Tharp Rd, Suite 1402
Yuba City, CA 95993
President: James R. Scott

Property Owned in Proposed CFD
(Assessor's Parcel Number(s):
Assessor's parcel numbers are 62-020-067 and 62-020-072.

EXHIBIT A
BOUNDARY MAP
[See Attached]

PROPOSED BOUNDARY MAP
CITY OF YUBA CITY COMMUNITY FACILITIES DISTRICT No. 2021-1 (MUNICIPAL SERVICES)
DUNN RANCH - UNIT 1
CITY OF YUBA CITY
SUTTER COUNTY, STATE OF CALIFORNIA



Filed in the Office of the City Clerk this _____ day of _____, 2021.

Jackie Sillman, City Clerk
City of Yuba City
Sutter County
State of California

I hereby certify that the within map showing proposed boundaries of CFD 2021-1 in the City of Yuba City, Sutter County, State of California, was approved by the City Council of the City of Yuba City at a regular meeting thereof, held on the _____ day of _____, 2021 by its Resolution No. _____.

Jackie Sillman, City Clerk
City of Yuba City
Sutter County
State of California

Filed this _____ day of _____, 2021, at the hour of _____ o'clock _____m. in Book _____ of Maps of Assessment and the County Recorder in Sutter County, State of California.

Donna Johnston
County Recorder
Sutter County
State of California

Deputy _____
Document No. _____
Fee: _____

Legend
Properties subject to the CFD
Existing City Limit Boundaries

STATE ROUTE 20

EXHIBIT B

SERVICES

The Petitioner requests that the proposed CFD be used to finance Petitioner's share of the costs of the following public services to be provided within the boundaries of the proposed CFD:

The Services to be funded by the CFD include the following services and all incidental expenses related to such services, all of which are authorized by the Act:

PUBLIC SERVICES

- (a) Police protection services;
- (b) Fire protection and suppression services, ambulance and paramedic services;
- (c) maintenance of parks, parkways, streets, roads, and open space;
- (d) flood and storm protection services, including but not limited to the maintenance of storm drainage systems and sandstorm protection systems,
- (e) Services with respect to the removal or remedial action for the cleanup of any hazardous substance released or threatened to be released into the environment, subject to the limitations contained in Section 53313 of the Act;
- (f) Maintenance and operation of any real property or other tangible property with an estimated useful life of five or more years that is owned by the local agency or by another local agency pursuant to an agreement entered into under Section 53316.2; and
- (g) costs incurred by the City and or County in formation of the district, annexation and annual contract administration.

In accordance with Section 53313 of the Act, the additional services may not supplant services available within the territory when the district was created or annexed.

The same types of services which are authorized to be financed by CFD No. 2021-1 are the types of services to be provided in any future annexation area, as properties are annexed.

The services include operational and maintenance costs associated with providing such services.

EXHIBIT C
RATE AND METHOD OF APPORTIONMENT

[See Attached]

**CITY OF YUBA CITY
COMMUNITY FACILITIES DISTRICT NO. 2021-1
(MUNICIPAL SERVICES)
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX**

A Special Tax applicable to each Assessor's Parcel in Community Facilities District No. 2021-1 (Municipal Services) [herein "CFD No. 2021-1"] shall be levied and collected according to the tax liability determined by the City Council, acting in its capacity as the legislative body of CFD No. 2021-1, through the application of the appropriate Special Tax rate, as described below. All of the property in CFD No. 2021-1, unless exempted by law or by the provisions of Section E below, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acreage" or **"Acre"** means the land area making up an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable final subdivision map or other parcel map recorded at the County Recorder's Office.

"Administrative Expenses" means the costs incurred by the City to determine, levy and collect the Special Tax, including salaries of City employees and fees of consultants and the costs of collecting installments of the Special Taxes upon the general tax rolls; preparation of required reports, and any other costs required to administer the CFD No. 2021-1 as determined by the Finance Director.

"Administrator" means the person or firm designated by the City to administer the Special Taxes according to this Rate and Method of Apportionment of Special Tax.

"Annual Tax Escalation Factor" means an annual increase in the Maximum Special Tax following the Base Year in an amount not to exceed four percent (4%). The Annual Tax Escalation Factor shall be based on the budgeted escalation of the City of Yuba City's combined Police and Fire Departments from the previous fiscal year.

"Assessor's Parcel" or **"Parcel"** means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor designating parcels by Assessor's Parcel number.

"Authorized Services" means the public services authorized to be funded by CFD No. 2021-1 as set forth in the documents adopted by the City Council when the CFD No. 2021-1 was formed.

"Base Year" means Fiscal Year 2020-2021.

"City" means the City of Yuba City.

"City Council" means the City Council of the City of Yuba City, acting as the legislative body of CFD No. 2021-1.

"County" means Sutter County, California.

"Developed Residential Property" means, in any Fiscal Year, all Parcels of Taxable Property for which a use permit or building permit for new construction of a residential structure was issued prior to June 30 of the preceding Fiscal Year.

"Finance Director" means the Finance Director for the City or his or her designee or successor.

"Fiscal Year" means the period starting on July 1 and ending on the following June 30.

"Maximum Special Tax" means the maximum Special Tax determined in accordance with Section C below that can be levied on Taxable Property in any Fiscal Year.

"Multi-Family Property" means, in any Fiscal Year, all units in CFD No. 2021-1 for which a building permit was issued or may be issued for construction of a residential structure with multiple units that share common walls, all of which are offered for rent to the general public.

"Public Property" means any property within the boundaries of CFD No. 2021-1 that is owned by the federal government, State of California, County, City, or other public agency.

"Residential Unit(s)" means an individual lot of land for which a building permit could be issued to construct one or more residential dwelling units.

"Residential Property" means all Assessor's Parcels of Taxable Property for which a map has been recorded designating individual Residential Units.

"Non-Residential Property" means all Assessor's Parcels of Taxable Property within the boundaries of CFD No. 2021-1 for which a map has been recorded designating the Assessor's Parcel as a lot for which a building permit could be issued and the Assessor's Parcel cannot be classified as a Residential Property.

"Special Tax" means any tax levied to pay for Authorized Services and Administrative Expenses.

"Single Family Property" means buildings containing one dwelling unit located on a single lot that are individually owned, including attached or detached residences (i.e., townhome unit and/or condominium units).

"Taxable Property" means all Assessor's Parcels within the boundaries of CFD No. 2021-1 designated as Developed Residential Property.

"Undeveloped Residential Property" means all Parcels of Residential Property within the boundaries of CFD No. 2021-1 that are not Developed Residential Property, as determined by the Administrator.

"Unit" means an individual single family detached unit or an individual residential unit within a duplex, triplex, fourplex, townhome, condominium, or apartment structure.

CATEGORIZING PARCELS FOR ANNUAL TAX LEVY

Each Fiscal Year, the Administrator shall identify the current Assessor's Parcel numbers for all Parcels within CFD No. 2021-1, and each parcel shall be classified as Developed Residential Property, Non-Residential Property, Public Property, or Undeveloped Residential Property, and shall be subject to the levy of annual Special Taxes determined pursuant to Sections C and D below.

B. MAXIMUM SPECIAL TAX RATE

All Taxable Property within the CFD No. 2021-1 shall be subject to a Maximum Special Tax that will be levied each Fiscal Year to pay for Authorized Services. As discussed above, the Administrator shall rely first on the Land Use Designation for a Parcel to determine the appropriate Maximum Special Tax in **Table 1**, below, but, in the absence of an assigned Land Use Designation, the Administrator shall refer to the Zoning Designation and land use to be built on the Parcel. The following Maximum Special Tax rates apply to all Parcels of Developed Property within CFD No. 2021-1:

Each Residential Unit is subject to the Maximum Special Tax shown in **Table 1**, below.

Non- Residential Property, Undeveloped Property, and Public Property is not subject to the Maximum Special Tax.

Table 1

| Property Land Use | Fiscal Year 2020/21 Maximum Special Tax Amount * |
|----------------------------------|---------------------------------------------------------|
| Single Family Property | \$467.10 per Single Family Residential Unit |
| Multi-Family Property | \$340.70 per Multi-Family Residential Unit |
| Undeveloped Residential Property | \$0 per Assessor's Parcel |

* Beginning July 1, 2021 and each July 1 thereafter, all of the Maximum Special Taxes shown in **Table 1** above shall be adjusted by applying the Annual Tax Escalation Factor.

C. METHOD OF LEVY AND COLLECTION OF SPECIAL TAX

Each Fiscal Year, the Administrator shall levy the Maximum Special Tax on each Parcel of Developed Property in CFD No. 2021-1. The Special Tax for CFD No. 2021-1 shall be collected in the same manner and at the same time as ordinary ad valorem property taxes provided, however, that CFD No. 2021-1 may (under the authority of Government Code Section 53340) in any particular case bill the taxes directly to the property owner off the County tax roll, and the Special Tax will be equally subject to foreclosure if delinquent.

D. LIMITATIONS

Notwithstanding any other provision of this Rate and Method of Apportionment of Special Tax, no Special Tax shall be levied on Public Property, Non-Residential Property, or Undeveloped Residential Property.

E. FUTURE ANNEXATIONS

It is anticipated that additional properties will be annexed to CFD No. 2021-1 from time to time. The property to be annexed will be assigned to the appropriate Maximum Special Tax rate for the Tract or Tracts when annexed, as pursuant to California Government Code section 53339 et seq.

In certain cases, it may be determined that a potential property to be annexed may require a higher cost to provide City services than other areas of the City (e.g., if it possesses a large quantity of City- owned infrastructure that requires maintenance). As each annexation is proposed, the City may elect to prepare an analysis to determine the annual cost for providing Services, and may incorporate unique zones with varying Maximum Special Tax rates. Such zones may be referred to by reference to a letter or number on the boundary map, and adjust the rates in Table 1 of such annexation to reflect the applicable rates.

The City may adopt a future annexation area in the future and allow for annexation by unanimous written consent.

F. INTERPRETATION OF SPECIAL TAX FORMULA

The City reserves the right to make minor administrative and technical changes to this document that do not materially affect the rate and method of apportioning the Special Tax. In addition, the interpretation and application of any section of this document shall be left to the City's discretion. Interpretations may be made by the City by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Tax.

G. TERM

The Special Tax shall be collected in perpetuity.

H. APPEALS

Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the Administrator not later than twelve months after having paid the first installment of the Special Tax that is disputed. The Administrator shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and rule on the appeal. If the decision of the Administrator requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the property owner, a cash refund shall not be made but an adjustment shall be made to the Special Tax on that Assessor's Parcel in the subsequent Fiscal Year(s) to compensate for the overpayment of the Special Tax.

ATTACHMENT 4

City of Yuba City Community Facility District No. 2017-1 (Municipal Services)

HEARING REPORT

Prepared by New Economics & Advisory

August 23, 2017

1. Introduction

Background

The City of Yuba City (City) engaged New Economics & Advisory (New Economics) to assist with the formation of a new Community Facilities District (CFD) to provide funding for municipal services. This CFD is desired in order to ensure that new development funds its proportionate share of City services and protect the City's fiscal sustainability over time.

Purpose and Organization of the Report

This report documents key parameters of the CFD and serves as the Hearing Report required by the Mello-Roos Act, specifically California Government Code Section 53321.5. The Hearing Report includes an identification of the geographic areas and land uses that will be subject to the CFD, a discussion of the maximum special tax rates, and the methodologies used to support the identified rates.

This report includes the following key sections.

- Chapter 1: Introduction
- Chapter 2: Land Use and CFD Costs
 - Boundaries of the CFD
 - Land Uses
 - Annual CFD Costs
- Chapter 3: Proposed Maximum Special Tax
- Chapter 4: Structure of the Proposed CFD
- Exhibit A: List of Authorized Services
- Exhibit B: Rate and Method of Apportionment
- Exhibit C: Maps of Parcels Within the CFD Boundary

2. Land Use and Annual CFD Costs

Boundaries of the CFD

The land that will be subject to the CFD consists of one development project, which has received tentative map approval from the City but has not yet been constructed. **Exhibit C** contains a map which shows the properties that are within this project and that will be subject to CFD No. 2017-1.

Land Uses

The properties that are within the CFD are planned for approximately 39 single-family units, all within with the so-called “Valencia Estates” project, as shown in **Figure 1**.

1 Summary of Projects Included in CFD Yuba City Services CFD

| Project Name | Parcel Number(s) | Total Project Acres | Single Family Units |
|---------------------------|-------------------------------|----------------------------|----------------------------|
| Valencia Estates | 59-630-001 through 59-630-039 | 10.7 | 39 |
| Total CFD Boundary | | 10.7 | 39 |

Sources: City of Yuba City.

Prepared by New Economics & Advisory, August 2017.

Annual CFD Costs

The CFD is anticipated to fund a variety of expanded municipal services needed due to the new development, including, but not limited to, roadway maintenance, parks/landscaping maintenance, police services, fire protection services, stormwater facilities maintenance, and formation/ administration costs.

The City provides these services on an area or citywide basis. The estimated cost to provide these services is based on the average cost per home for services throughout the City. Because the City can only use the Special Tax to pay for expanded services in the City, the actual costs will be based on additional services cost incurred by the City as projects develop.

Fiscal Impact Analysis

New Economics prepared a Fiscal Impact Analysis (FIA) for Yuba City's AB 1600 Growth Increment for all projected development in Yuba City in the current Sphere of Influence (SOI).¹ The FIA measures the fiscal impact of each new residential unit in the City by estimating the revenues that will be generated by new development in the form of property taxes, sales taxes, and other similar revenue sources, and comparing these revenues to the expected cost of City services. The FIA calculations were performed for the anticipated buildout of the City's SOI, as documented in the Yuba City Update of the AB 1600 Fee Justification Study, dated October 10, 2007.

Figure 2 contains the results of the FIA. As shown, new development in the City is anticipated to generate approximately \$1,162 in annual revenues per single-family unit and incur \$1,847 in annual City expenditures, for a net fiscal deficit of \$623 per single-family unit per year. The largest revenue generators are Property Taxes and Property Tax-in-Lieu of Vehicle Licensing Fees, and the largest expenditures are Police, Fire Protection, and Public Works.

¹ Prepared by New Economics & Advisory, dated August 23, 2017.

2

Summary of Annual Fiscal Impacts (\$2017)

AB 1600 Growth: Fiscal Analysis

| Item | Fiscal Impact per Unit | |
|----------------------------------------------------|------------------------|----------------|
| | Single Family | Multi-Family |
| General Fund Annual Revenue Projections | | |
| Property Taxes | \$457 | \$285 |
| Property Taxes in Lieu of VLF | \$346 | \$215 |
| Sales Taxes | \$80 | \$55 |
| Prop 172 - Public Safety Aug. | \$15 | \$10 |
| Franchises | \$0 | \$0 |
| Business Licenses | \$0 | \$0 |
| Real Property Transfer Taxes | \$19 | \$6 |
| Hotel/ Motel Surcharge | \$30 | \$20 |
| Licenses & Permits | \$6 | \$4 |
| Intergovernmental | \$3 | \$2 |
| Service Fees | \$77 | \$51 |
| Interfund Transfers | \$67 | \$45 |
| Total Annual General Fund Revenues | \$1,101 | \$694 |
| General Fund Annual Expenditure Projections | | |
| Legislative/ Administrative (Except Econ. Dev.) | \$29 | \$19 |
| Economic Development | \$0 | \$0 |
| Finance/ IT | \$96 | \$64 |
| Human Resources | \$27 | \$18 |
| Development Services | \$12 | \$8 |
| Police | \$616 | \$410 |
| Fire | \$354 | \$236 |
| Public Works | \$207 | \$138 |
| Non-Departmental | \$33 | \$22 |
| Community Services (Except Parks Maint.) | \$114 | \$76 |
| Parks Maintenance | \$63 | \$63 |
| Increased PERS Costs | \$172 | \$115 |
| Total General Fund Expenditures | \$1,724 | \$1,170 |
| Net Impact (Revenues Less Expenditures) | (\$623) | (\$476) |

[1] The fiscal impact analysis also studies non-residential development categories, but they are not shown here because the CFD focuses only on residential development.

Prepared by New Economics & Advisory, August 2017.

3. Proposed Maximum Special Tax

As a matter of policy--to ensure that development is not overburdened by additional taxes/ assessments that would impede its ability to be competitive in the surrounding market area--the City has chosen to set the maximum special tax rates at \$425 per single-family unit. To set a corresponding multi-family rate, New Economics applied the differential between single-family and multifamily impacts on a per-unit basis in the FIA as an adjustment factor. Therefore, the multi-family rate is set at \$310 per unit, which is 76 percent of the single-family rate, as shown in **Figure 3**.

3 *CFD Rates by Land Use Type*
Yuba City Services CFD

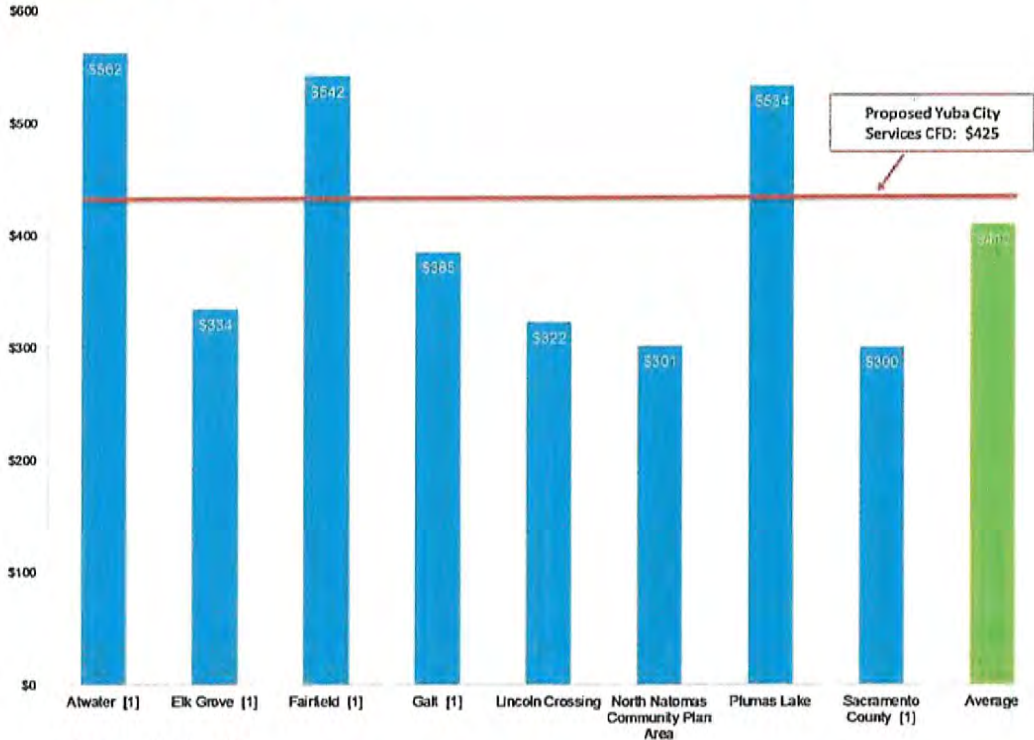
| <u>Land Use Type</u> | <u>Rate</u> |
|----------------------|-------------|
| Single Family | \$425 |
| Multi-Family [1] | \$310 |

[1] Multi-family rates are set at 76 percent of single family; based on the results of the Citywide Fiscal Impact Analysis.

Prepared by New Economics & Advisory, August 2017.

As a point of comparison, **Figure 4** shows the maximum special tax rates for various CFDs for services in nearby communities. As shown, single-family rates range from \$300 to \$562 annually, with an average of \$410. At \$425, CFD No. 2017-1 is near the average of CFD rates in for Services CFDs in select communities elsewhere in Northern California.

4 *Comparable Services CFD Amounts (Per SF Unit)
Yuba City Services CFD*



[1] Rates shown are from 2007.

Note: In addition to the rates shown above, many cities in the Sacramento region utilize CFDs for services, which can range from \$200 to \$1,000 per year.

Prepared by New Economics & Advisory, July 2017.

4. Structure of the Proposed CFD

Description of the Community Facilities District

Special taxes within the CFD will be levied according to the Rate and Method of Apportionment of Special Tax (the "Tax Formula"). The attached exhibits contain the formation documents for CFD No. 2017-1. **Exhibit A** contains the list of authorized services to be funded by CFD No. 2017-1 **Exhibit B** is the Rate and Method of Apportionment. The purpose of CFD No. 2017-1 is to provide funding for the annual costs of authorized CFD services.

Determination of Parcels Subject to Special Tax

The City shall prepare a list of parcels subject to the Special Tax using the records of the City of Yuba City and the County Assessor. The City will tax all parcels within CFD No. 2017-1 except those that are declared tax-exempt.

Termination of Special Tax

The special tax will be levied and collected in perpetuity.

Setting the Annual Maximum Tax Rate

The maximum annual special tax is set at \$425 per single family unit and \$310 per multi-family unit in the Base Year of FY 2016/17. The maximum annual special tax will escalate at no more than 4 percent starting on July 1, 2018, and each year thereafter. The annual escalation factor will be equal to the percentage escalation of the City's combined Police and Fire Department budgets from the previous fiscal year, up to the 4 percent maximum.

Prepayment of Special Tax Obligation

Prepayment of special taxes for services is not permitted.

Manner of Collection

The special tax will be collected in the same manner and at the same time as ad valorem property taxes. At the City's option, the special taxes may be billed directly to property owners.

Annexation

It is anticipated that additional properties will be annexed to CFD No. 2017-1 from time to time. The property to be annexed will be assigned to the appropriate Maximum Special Tax rate for the Tract or Tracts when annexed, as pursuant to California Government Code section 53339 et seq.

In certain cases, it may be determined that a potential property to be annexed may require a higher cost to provide City services than other areas of the City (e.g., if it possesses a large quantity of City-owned infrastructure that requires maintenance). As each annexation is proposed, the City may elect to prepare an analysis to determine the annual cost for providing Services, and may incorporate unique zones with varying Maximum Special Tax rates.

Exhibit A: List of Authorized Services

EXHIBIT A
List of Authorized Services
COMMUNITY FACILITIES DISTRICT NO. 2017-1 (MUNICIPAL SERVICES)
CITY OF YUBA CITY, SUTTER COUNTY, CALIFORNIA

The Community Facilities District No. 2017-1 (Municipal Services) (the "CFD") shall include the City services authorized under Section 53313 of the Community Facilities Act of 1982, Chapter 2.5 of Division 2 of Title 5 of the California Government Code, commencing with Section 53311 (the "Act"), which include the following services, to the extent that such services are in addition to those provided in the territory of the CFD before the CFD was created (or, as to territory which may be annexed to the CFD, before such territory was annexed to the CFD).

Services to be funded by CFD No. 2017-1 shall include:

- (a) Police protection services.
- (b) Fire protection and suppression services, and ambulance and paramedic services.
- (c) Maintenance of parks, parkways, streets, roads, and open space.
- (d) Flood and storm protection services, including, but not limited to, the operation and maintenance of storm drainage systems, and sandstorm protection systems.
- (e) Services with respect to removal or remedial action for the cleanup of any hazardous substance released or threatened to be released into the environment, subject to the limitations contained in Section 53313 of the Act.
- (f) Maintenance and operation of any real property or other tangible property with an estimated useful life of five or more years that is owned by the local agency or by another local agency pursuant to an agreement entered into under Section 53316.2.
- (g) Costs incurred by the City and/ or County in formation of the district and annual contract administration.

In accordance with Section 53313 of the Act, the additional services may not supplant services already available within that territory when the district was created.

Exhibit B: Rate and Method of Apportionment

EXHIBIT B
CITY OF YUBA CITY
COMMUNITY FACILITIES DISTRICT NO. 2017-1
(MUNICIPAL SERVICES)
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax applicable to each Assessor's Parcel in Community Facilities District No. 2017-1 (Municipal Services) [herein "CFD No. 2017-1"] shall be levied and collected according to the tax liability determined by the City Council, acting in its capacity as the legislative body of CFD No. 2017-1, through the application of the appropriate Special Tax rate, as described below. All of the property in CFD No. 2017-1, unless exempted by law or by the provisions of Section E below, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acreage" or **"Acre"** means the land area making up an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable final subdivision map or other parcel map recorded at the County Recorder's Office.

"Administrative Expenses" means the costs incurred by the City to determine, levy and collect the Special Tax, including salaries of City employees and fees of consultants and the costs of collecting installments of the Special Taxes upon the general tax rolls; preparation of required reports, and any other costs required to administer the CFD as determined by the Finance Director.

"Administrator" means the person or firm designated by the City to administer the Special Taxes according to this Rate and Method of Apportionment of Special Tax.

"Annual Tax Escalation Factor" means an annual increase in the Maximum Special Tax following the Base Year in an amount not to exceed four percent (4%). The Annual Tax Escalation Factor shall be based on the budgeted escalation of the City of Yuba City's combined Police and Fire Departments from the previous fiscal year.

"Assessor's Parcel" or **"Parcel"** means a lot or parcel shown in an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the County Assessor designating parcels by Assessor's Parcel number.

"Authorized Services" means the public services authorized to be funded by CFD No. 2017-1 as set forth in the documents adopted by the City Council when the CFD was formed.

"Base Year" means Fiscal Year 2016-17.

"City" means the City of Yuba City.

"City Council" means the City Council of the City of Yuba City, acting as the legislative body of CFD No. 2017-1.

"County" means Sutter County, California.

"Developed Residential Property" means, in any Fiscal Year, all Parcels of Taxable Property for which a use permit or building permit for new construction of a residential structure was issued prior to June 30 of the preceding Fiscal Year.

"Finance Director" means the Finance Director for the City or his or her designee or successor.

"Fiscal Year" means the period starting on July 1 and ending on the following June 30.

"Maximum Special Tax" means the maximum Special Tax determined in accordance with Section C below that can be levied on Taxable Property in any Fiscal Year.

"Multi-Family Property" means, in any Fiscal Year, all units in CFD No. 2017-1 for which a building permit was issued or may be issued for construction of a residential structure with multiple units that share common walls, all of which are offered for rent to the general public.

"Public Property" means any property within the boundaries of CFD No. 2017-1 that is owned by the federal government, State of California, County, City, or other public agency.

"Residential Unit(s)" means an individual lot of land for which a building permit could be issued to construct one or more residential dwelling units.

"Residential Property" means all Assessor's Parcels of Taxable Property for which a map has been recorded designating individual Residential Units.

"Non-Residential Property" means all Assessor's Parcels of Taxable Property within the boundaries of CFD No. 2017-1 for which a map has been recorded designating the Assessor's Parcel as a lot for which a building permit could be issued and the Assessor's Parcel cannot be classified as a Residential Property.

"Special Tax" means any tax levied to pay for Authorized Services and Administrative Expenses.

"Single Family Property" means buildings containing one dwelling unit located on a single lot that are individually owned, including attached or detached residences (i.e., townhome unit and/or condominium units).

"Taxable Property" means all Assessor's Parcels within the boundaries of CFD No. 2017-1 designated as Developed Residential Property.

"Undeveloped Residential Property" means all Parcels of Residential Property within the boundaries of CFD No. 2017-1 that are not Developed Residential Property, as determined by the Administrator.

"Unit" means an individual single family detached unit or an individual residential unit within a duplex, triplex, fourplex, townhome, condominium, or apartment structure.

B. CATEGORIZING PARCELS FOR ANNUAL TAX LEVY

Each Fiscal Year, the Administrator shall identify the current Assessor's Parcel numbers for all Parcels within CFD No. 2017-1, and each parcel shall be classified as Developed Residential Property, Non-Residential Property, Public Property, or Undeveloped Residential Property, and shall be subject to the levy of annual Special Taxes determined pursuant to Sections C and D below.

C. MAXIMUM SPECIAL TAX RATE

All Taxable Property within the CFD shall be subject to a Maximum Special Tax that will be levied each Fiscal Year to pay for Authorized Services. As discussed above, the Administrator shall rely first on the Land Use Designation for a Parcel to determine the appropriate Maximum Special Tax in **Table 1**, below, but, in the absence of an assigned Land Use Designation, the Administrator shall refer to the Zoning Designation and land use to be built on the Parcel. The following Maximum Special Tax rates apply to all Parcels of Developed Property within CFD No. 2017-1:

Each Residential Unit is subject to the Maximum Special Tax shown in **Table 1**, below. Non-Residential Property, Undeveloped Property, and Public Property is not subject to the Maximum Special Tax.

Table 1

| Property Land Use | 2016/17 Maximum Special Tax Amount * |
|----------------------------------|---------------------------------------------|
| Single Family Property | \$425 per Single Family Residential Unit |
| Multi-Family Property | \$310 per Multi-Family Residential Unit |
| Undeveloped Residential Property | \$0 per Assessor's Parcel |

* Beginning July 1, 2018 and each July 1 thereafter, all of the Maximum Special Taxes shown in **Table 1** above shall be adjusted by applying the Annual Tax Escalation Factor.

D. METHOD OF LEVY AND COLLECTION OF SPECIAL TAX

Each Fiscal Year, the Administrator shall levy the Maximum Special Tax on each Parcel of Developed Property in CFD No. 2017-1. The Special Tax for CFD No. 2017-1 shall be collected in the same manner and at the same time as ordinary ad valorem property taxes provided, however, that CFD No. 2017-1 may (under the authority of Government Code Section 53340) in any particular case bill the taxes directly to the property owner off the County tax roll, and the Special Tax will be equally subject to foreclosure if delinquent.

E. LIMITATIONS

Notwithstanding any other provision of this Rate and Method of Apportionment of Special Tax, no Special Tax shall be levied on Public Property, Non-Residential Property, or Undeveloped Residential Property.

F. FUTURE ANNEXATIONS

It is anticipated that additional properties will be annexed to CFD No. 2017-1 from time to time. The property to be annexed will be assigned to the appropriate Maximum Special Tax rate for the Tract or Tracts when annexed, as pursuant to California Government Code section 53339 et seq.

In certain cases, it may be determined that a potential property to be annexed may require a higher cost to provide City services than other areas of the City (e.g., if it possesses a large quantity of City-owned infrastructure that requires maintenance). As each annexation is proposed, the City may elect to prepare an analysis to determine the annual cost for providing Services, and may incorporate unique zones with varying Maximum Special Tax rates.

G. INTERPRETATION OF SPECIAL TAX FORMULA

The City reserves the right to make minor administrative and technical changes to this document that does not materially affect the rate and method of apportioning the Special Tax. In addition, the interpretation and application of any section of this document shall be left to the City's discretion. Interpretations may be made by the City by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Tax.

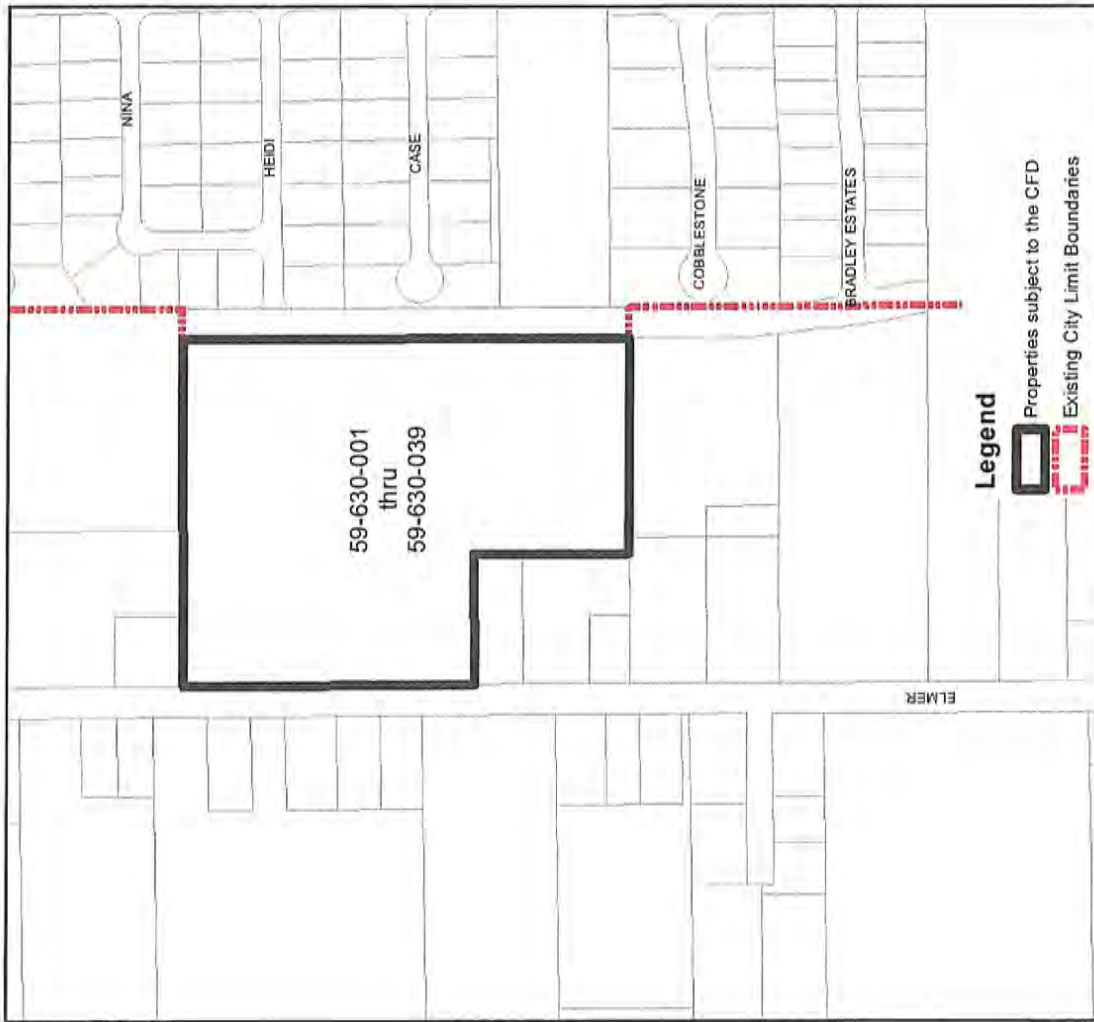
H. Term

The Special Tax shall be collected in perpetuity.

Exhibit C: Map of Parcels Within CFD Boundary

PROPOSED BOUNDARY MAP
CITY OF YUBA CITY COMMUNITY FACILITIES DISTRICT No. 2017-1 (MUNICIPAL SERVICES)
CITY OF YUBA CITY
SUTTER COUNTY, STATE OF CALIFORNIA

Hearing Report for the City of Yuba City
CFD No. 2017-1 (Municipal Services)



Filed in the Office of the Sutter County Recorder this _____ day of _____, 2017.

Terrel Locke, Deputy City Clerk
City of Yuba City
Sutter County
State of California

I hereby certify that the within map showing proposed boundaries of CFD No. 2017-1 in the City of Yuba City, Sutter County, State of California, was approved by the City Council of the City of Yuba City at a regular meeting thereof, held on the _____ day of _____, 2017, by its Resolution No. _____.

Terrel Locke, Deputy City Clerk
City of Yuba City
Sutter County
State of California

Filed this _____ day of _____, 2017, at the hour of _____ o'clock _____m. in Book _____ of Maps of Assessment and Community Facilities Districts at Page _____, in the Office of the County Recorder in Sutter County, State of California.

Donna Johnston
County Recorder
Sutter County
State of California
Deputy

August 23, 2017



ATTACHMENT 7

**PETITION TO FORM
CITY OF YUBA CITY COMMUNITY FACILITIES DISTRICT NO. 2021-1
(MUNICIPAL SERVICES)
AND WAIVER WITH RESPECT TO CERTAIN RELATED MATTERS**

TO THE CITY COUNCIL
CITY OF YUBA CITY
1201 Civic Center Boulevard,
Yuba City, California 95993

Members of the Council:

This is (i) a petition to request that the City Council of the City of Yuba City (the "City Council") institute proceedings to form the City of Yuba City Community Facilities District No. 2021-1 (Municipal Services) (the "CFD") pursuant to the Mello-Roos Community Facilities Act of 1982, California Government Code Section 53311 and following (the "Act"), and (ii) a waiver of certain time limits and requirements in connection with the public hearing and election to be held by the City Council in connection with the formation of CFD.

THE UNDERSIGNED (THE "PETITIONER") EXECUTES THIS PETITION AND WAIVER BASED ON THE UNDERSTANDING THAT THE CFD WILL LEVY A SPECIAL TAX ONLY ON REAL PROPERTY THAT IS OWNED IN FEE BY THE UNDERSIGNED, THE DEVELOPER/PROPERTY OWNER OF THE PROPOSED PROJECT.

The undersigned hereby states, certifies represents and agrees and declares under penalty of perjury as follows:

- I. **Petitioner.** This petition and waiver is submitted by the person identified below as the owner or the authorized representative(s) of the owner of the parcel(s) of land identified below (the "Property"). By submitting this petition, such person warrants to the City of Yuba City (the "City") that he or she is either the owner of the Property or is legally authorized by the owner of such land to execute this petition and waiver. Furthermore, such person warrants that there are no registered voters residing on such Property and that he or she is the owner of one hundred percent (100%) of the area of such Property and that that there are no liens or encumbrances on such land in the favor of any lender, including but not limited to any deeds of trust, mortgages, leases, or liens of a similar nature. The undersigned is authorized to represent the landowner identified below to request and petition the City Council (the "Council") of the for formation of the CFD and to authorize certain other requests, consents and waivers contained herein and to execute any ballots or other documents in connection with the

annexation. The boundaries of the Property for the CFD are described on Exhibit A hereto and by this reference incorporated herein.

- II. **Proceedings Requested.** Petitioner hereby requests, pursuant to Sections 53318 and 53339 *et. seq.* of the Act, that the City Council, undertake proceedings under the Act to form the CFD with the Property and to levy special taxes on said real property within the CFD. The undersigned requests that proceedings be commenced (i) form the the CFD for the purpose of financing the serviced described below, (ii) to authorize the levy of special taxes on the Property in accordance with the rate and method of apportionment of the CFD which is attached hereto as Exhibit C and by this reference incorporated herein (“RMA”) to finance the above-mentioned services, incidental expenses and fees, and (iii) to establish and/or change an appropriations limit for the CFD and any future annexations to the CFD.
- III. **Boundaries of the CFD.** Petitioner asks that the territory to be included in the boundaries of the CFD consist of the boundaries which are described as the exterior boundaries of the property more particularly shown on a map thereof attached hereto as Exhibit A (and incorporated herein by this reference) and to be filed in the office of the County Clerk of Sutter County following formation, which indicates by a boundary line the extent of the territory included in the proposed CFD and which shall govern for all details as to the extent of the CFD at the time of formation. The Petitioner understands that there will be a future annexation area included in the formation proceedings for the CFD.
- IV. **Purpose of the CFD.** Petitioner asks that the CFD be created, the special taxes be levied to finance and to provide the public services shown in Exhibit B attached hereto and incorporated herein by this reference (“Services”). The Petitioner has reviewed the list of Services and the RMA related to the special taxes. Petitioner hereby consents to the levy of the special taxes pursuant to the RMA and the funding of the Services to be levied perpetually on the Property.
- V. **Proceedings, Hearings, Consent.** Petitioner requests that proceedings to form the CFD and hold the special election be commenced and completed on the same date if possible, including the public hearing, the resolution of formation, the resolution calling the special election and the resolution declaring the results of the election. Petitioner knowingly hereby waives any time periods, notices, requirements of law or other proceedings in order to accomplish such formation and election on special taxes and an appropriations limit. Petitioner as sole property owner unanimously consents to the inclusion of the Property described herein in the CFD, to form the CFD, and to the special taxes to be levied on the property to pay for the Services and the appropriations limit of \$1,700,000 in the CFD or as determined by the City, as it may be adjusted annually.
- VI. **Election.** Petitioner hereby requests that the City Council consolidate the special election to be held under the Act to authorize the special taxes for the CFD and authorize an appropriations limit into a single election, or an election

with two propositions, if convenient, and that the City and its officials conduct the election using mailed or hand-delivered ballots, and that the election be held, and such ballots be opened and canvassed and the results certified at the same meeting of the City Council as the public hearings held regarding the formation to the CFD pursuant to the Act or as soon thereafter as possible. In such connection, Petitioner waives all time periods, formalities and notices relating to the election, form of ballot, publication of items, arguments, tax statements or other requirements.

- VII. **Waivers.** To expedite the completion of the proceedings for annexation to the CFD as requested by Petitioner, the Petitioner hereby waives all notices of hearings required under the Act, all notices of election, applicable waiting periods under the Act for public hearings and the Elections Code for the election, all ballot analysis and arguments for the election and any other requirements of the Government Code and the Elections Code applicable to the formation of the CFD and the Election.

In accordance with the provisions of the Act, and specifically Sections 53326(a) and 53327(b) thereof, allowing certain time and conduct requirements relative to a special landowner election to be waived with the unanimous consent of all the landowners to be included or annexed to a community facilities district and concurrence of the election official conducting the election, the undersigned (i) expressly consents to the conduct of the special election at the earliest possible time following the adoption by the Council of a resolution forming the CFD and (ii) expressly waives any requirement to have the special election conducted within the time periods specified in Section 53326 of the Act or in the California Elections Code.

- VIII. **Outstanding Debt.** The Petitioner warrants that there is no outstanding debt on the Property.
- IX. **Additional Agreements.** Petitioner agrees to execute such additional or supplemental agreements as may be required by the City to provide for any actions and conditions under this petition, including any amount of cash deposit required to pay for the City's costs related to forming the CFD. The Petitioner further agrees that this petition shall not be considered as filed with the City for purposes of commencing proceedings for the CFD under the Act unless and until deemed filed by the City in its absolute discretion.
- X. **Cooperation.** The Petitioner agrees to cooperate with the City, its attorneys and consultants and provide all information required by the City regarding the special taxes to purchasers of the Property or any part of it.
- XI. **Counsel.** The Petitioner has had the opportunity to consult its own counsel related to the formation of the CFD and the levy of special taxes and has consulted with such counsel or has voluntarily chosen not to do so. Petitioner understands the consequences of the CFD and the notices required to be

provided to future property owners related to the CFD and will provide such notices as required from the Petitioner to future owners.

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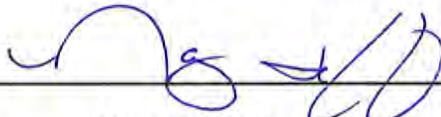
This petition is dated and executed May 18, 2021.

The Petitioner is:

INTERWEST HOMES, CORP.

By: 

Name: James R Scott, President

By: 

Name: Nancy Tiff, Secretary

The address of the above owner for receiving notices and ballots is:

Interwest Homes, Corp.
950 Tharp Rd, Suite 1402
Yuba City, CA 95993
President: James R. Scott

Property Owned in Proposed CFD
(Assessor's Parcel Number(s):
Assessor's parcel numbers are 62-020-067 and 62-020-072.