



## STAFF REPORT

**Date:** 1/12/2016

<b>To:</b>	City Council
<b>From:</b>	Kevin Rohani, Public Works Director/City Engineer

**SUBJECT:** Approve the Formation of the City of Oakley Community Facilities District No. 2015-2 (Parks, Street Light, Landscape and Stormwater Services) ("CFD No. 2015-2"), hold a Public Hearing and Special Landowner Election, Declare the Results of the Election and Introduce an Ordinance to Levy a Special Tax for CFD No. 2015-2

### Summary and Background

On May 26, 2015, City Council approved Subdivision Maps No. 9080 and No. 9391. These subdivision maps encompass the development known as the Prescott Parc Project. The Prescott Parc Project will consist of 40 single-family residential parcels which are located between Picasso Drive and Frank Hengel Way south of Escher Circle in the central part of the City of Oakley. As a condition of development, the property owner, Prescott Parc, LLC, was required to establish a funding mechanism to mitigate their project's fiscal impact on regional, community and neighborhood parks, street lighting, neighborhood landscaping and stormwater detention facilities.

On October 20, 2015 the City received a petition from Prescott Parc, LLC requesting the establishment of a new Community Facilities District. On October 27, 2015, the City Council adopted Resolution No. 124-15, (the "Resolution of Intention"), declaring its intention to establish CFD No. 2015-2. On December 8, 2015, the City Council adopted Resolution No. 144-15, (the "Amended and Restated Resolution of Intention"), which amended the original Resolution of Intention. The Amended and Restated Resolution of Intention to establish Community Facilities District No. 2015-2 added language that was missing from the original Resolution of Intention, regarding the formation of the Future Annexation Area in order to facilitate future annexations to the district. If formed, CFD No. 2015-2 will provide a funding mechanism to cover the annual costs associated with maintenance, operation, monitoring, and replacement of regional, community and neighborhood parks, street lighting, neighborhood landscaping, stormwater detention facilities and associated administrative costs. A complete list of these authorized services was approved in the Resolution of Intention, and is included in Attachment 1 – Exhibit A of the Community Facilities District Report and Attachment 2 – Exhibit A of the Resolution of Formation.

On November 9, 2015, the Boundary Map (see Attachment 1 – Exhibit B of the Community Facilities District Report) was recorded with the Contra Costa County Recorder's office as required by the CFD Act. The Proposed Boundary Map also

includes a "Future Annexation Area" which corresponds to the City's boundaries. This future annexation area will enable all future development projects within the City to annex into CFD No. 2015-2 with the unanimous approval of the property owner and with Council's approval. It is anticipated that future development projects may be annexed into CFD No. 2015-2 when they are approved for development or property owners may request a separate financing mechanism to mitigate their fiscal impacts to the City. The benefit of establishing a "Future Annexation Area" is that the annexation process into CFD No. 2015-2 is significantly streamlined, which saves staff time and costs to Developers. By creating this "Future Annexation Area" for CFD No. 2015-2, staff is able to bring future CFD annexations to City Council for approval at one Council meeting, instead of the lengthy three Council meeting process.

Based on an estimate of the costs to be incurred by the City of Oakley for providing the authorized services for CFD No. 2015-2, the maximum combined annual special tax is \$1,391.95 (in FY 2015-16 dollars) per single-family residential parcel. A breakdown of the maximum annual special tax by service category is shown in the attached Resolution of Formation under Exhibit "B" (Rate & Method of Apportionment of Special Tax). The funds collected will be tracked and used for the services described in Exhibit "A" (Description of Services). As specified in the rate and method of apportionment of special tax, annual increases in the maximum special tax are limited to the prior year's change in the Consumer Price Index – All Urban Consumers (San Francisco-Oakland-San Jose, CA) with minimum annual increase of 3% and a maximum annual increase of 5% over the previous year's maximum special tax.

The Amended and Restated Resolution of Intention set the City Council meeting of January 12, 2016 as the time and place for the required public hearing to allow public input regarding the formation of CFD No. 2015-2. The Notice of Public Hearing was also published in the East County Times on December 14, 2015.

The specific format that must be followed for the formation of the CFD No. 2015-2 includes the following steps. Following the opening of the public hearing, any comments from the public are to be solicited and heard by Council. After taking the public testimony, the hearing would be closed and Council is requested to consider the attached two Resolutions.

1. Resolution No. 2016 - \_\_\_\_ which is a Resolution of Formation that approves the formation of Communities Facilities District No. 2015-2 (Attachment 2);
2. Resolution No. 2016 - \_\_\_\_ which is a Resolution Calling the Special Landowner Election (Attachment 3);

Should the above resolutions be adopted by Council, the landowner special election would then be conducted. Prescott Parc, LLC is the only landowner and qualified elector within the district at this time; therefore, Prescott Parc, LLC's ballot will be opened and the vote tallied by the City Clerk at the Council meeting. Following the vote, and assuming the election is successful, Council is requested to consider the following:

1. Resolution No. 2016 - \_\_\_\_ which is a Resolution Declaring the Results of the Special Landowner Election (Attachment 4); and

2. Introduction of Ordinance No. \_\_\_\_\_ which is an Ordinance establishing the Levy of the Special Tax (Attachment 5).

Should Council adopt the resolution and introduce the ordinance, the City Clerk would subsequently record the Notice of Special Tax Lien with the Contra Costa County Recorder's office. A second reading of the ordinance would be scheduled for the January 26, 2016 City Council Meeting. Final publication of the ordinance would then take place on February 10, 2016, completing the formation of CFD No. 2015-2.

#### **Fiscal Impact**

Development of the Prescott Parc Project requires a funding mechanism to mitigate the fiscal impact of the project's regional, community and neighborhood parks, street lighting, neighborhood landscaping, stormwater detention facilities and associated administrative costs. CFD No. 2015-2 will provide the financing mechanism to levy an annual Special Tax to pay for these services. Following the creation of CFD No. 2015-2, the levy of the special tax can be levied annually commencing in Fiscal Year 2016-17 if necessary.

#### **Recommendation**

Staff recommends that the City Council adopt the following three Resolutions and introduce one ordinance:

1. Resolution No. 2016 - \_\_\_\_ which is a Resolution of Formation that approves the formation of Communities Facilities District No. 2015-2;
2. Resolution No. 2016 - \_\_\_\_ which is a Resolution calling the Special Landowner Election;
3. Resolution No. 2016 - \_\_\_\_ which is a Resolution declaring the results of the Special Landowner Election; and
4. Ordinance No. \_\_\_\_\_ which is an Ordinance establishing the Levy of the Special Tax.

#### **Attachments**

1. Community Facilities District Report  
Exhibit A - Description of Services  
Exhibit B - Boundary Map  
Exhibit C - Cost Estimate
2. Resolution of Formation  
Exhibit A - Description of Services  
Exhibit B - Rate and Method of Apportionment of Special Tax
3. Resolution of Calling the Special Landowner Election  
Exhibit A - Official Ballot Special Tax Election
4. Resolution Declaring Results of Special Landowner Election and Directing Recording of Notice of Special Tax Lien
5. Ordinance Levying Special Tax

**City of Oakley**  
**Community Facilities District No. 2015-2**  
**(Parks, Street Light, Landscape and Stormwater Services)**

**COMMUNITY FACILITIES DISTRICT REPORT**

**CONTENTS**

Introduction

- A. Description of Services
- B. Proposed Boundaries of the Community Facilities District
- C. Cost Estimate
- D. Rate and Method of Apportionment of Special Tax

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EXHIBIT A – Description of the Services

EXHIBIT B – Boundary Map

EXHIBIT C – Cost Estimate

EXHIBIT D – Rate and Method of Apportionment of Special Tax

**City of Oakley**  
**Community Facilities District No. 2015-2**  
**(Parks, Street Light, Landscape and Stormwater Services)**

**INTRODUCTION**

On October 27, 2015, the Oakley City Council adopted a "Resolution of Intention to Establish Community a Facilities District," and on December 8, 2015, the Oakley City Council adopted an "Amended and Restated Resolution of Intention to Establish Community a Facilities District" (as amended, the "Resolution of Intention"), stating its intention to form the City of Oakley Community Facilities District No. 2015-2 (Parks, Street Light, Landscape and Stormwater Services) (the "CFD") pursuant to the Mello-Roos Community Facilities Act of 1982, Sections 53311 et. seq., California Government Code (the "Act") to finance certain municipal services (the "Services") by levying special taxes (the "Special Taxes") in the area of the CFD.

Under the Resolution of Intention, the City Council also stated its intention to form a future annexation area to be known as the "City of Oakley Community Facilities District No. 2015-2 (Parks, Street Light, Landscape and Stormwater Services) (Future Annexation Area)" (the "Future Annexation Area").

In the Resolution of Intention, the Council expressly ordered the preparation of a written report (the "Report"), for the CFD containing the following:

1. A description of the Services by type which will be required to adequately meet the needs of the CFD; and
2. An estimate of the fair and reasonable cost of the Services included therewith.

For particulars, reference is made to the Resolution of Intention, as previously approved and adopted by the Council.

**NOW, THEREFORE**, the undersigned does hereby submit the following data:

**A. DESCRIPTION OF SERVICES.** A general description of the proposed services is set forth in Exhibit "A" attached hereto and hereby made a part hereof.

**B. PROPOSED BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT.** The proposed boundaries of the CFD are those properties and parcels in which special taxes may be levied to pay for the costs and expenses of the Services. The proposed boundaries of the CFD and the Future Annexation Area are described on the boundary map on file with the City Clerk, to which reference is hereby made.

Parcels within the Future Annexation Area shall be annexed to the CFD only with the unanimous approval of the owner or owners of each parcel or parcels at the time that parcel or those parcels are annexed.

A reduced copy of the proposed boundaries of the CFD is set forth in Exhibit "B" attached hereto and hereby made a part hereof.

**C. COST ESTIMATE.** The cost estimate for the Services for the CFD is set forth in Exhibit "C" attached hereto and hereby made a part hereof.

**D. RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX.** The method of financing the Services is through the imposition and levy of a special tax to be apportioned on the properties in the CFD under the rate and method of apportionment of special tax for the CFD (the "Rate and Method"). The proposed Rate and Method was attached as Exhibit "B" to the Resolution of Intention and is attached hereto as Exhibit "D".

Dated as of \_\_\_\_\_, 2016

For and on behalf of the City Administrator  
of the City of Oakley

By: \_\_\_\_\_

## EXHIBIT A

### CITY OF OAKLEY Community Facilities District No. 2015-2 (Parks, Street Light, Landscape and Stormwater Services)

#### DESCRIPTION OF SERVICES

The captioned Community Facilities District will finance, in whole or in part, the following services ("services" shall have the meaning given that term in the Mello-Roos Community Facilities Act of 1982), including all related administrative costs, expenses and related reserves for replacement of vehicles, equipment and facilities:

#### Regional Parks

Maintenance, including servicing, repair, replacement and removal of regional parks (includes park amenities such as buildings, sports fields, sports courts, playground equipment, play courts, play structures, picnic tables, lighting, drinking fountains, barbeques, etc.), both (i) in the CFD and (ii) outside the CFD but within the boundaries of the City if the City has concluded that such maintenance would benefit the CFD. Maintenance also includes cleaning and removal of graffiti, and associated electric, water and other utility costs.

#### Community Parks

Maintenance, including servicing, repair, replacement and removal of community parks (includes park amenities such as buildings, sports fields, sports courts, playground equipment, play courts, play structures, picnic tables, lighting, drinking fountains, barbeques, etc.), both (i) in the CFD and (ii) outside the CFD but within the boundaries of the City if the City has concluded that such maintenance would benefit the CFD. Maintenance also includes cleaning and removal of graffiti, and associated electric, water and other utility costs.

#### Street Lighting

Maintenance, including servicing, repair, replacement and removal of street lights (includes poles, fixtures, bulbs, conduits, equipment, including guys, anchors, posts, pedestals and metering devices, etc.), both (i) in the CFD and (ii) outside the CFD but within the boundaries of the City if the City has concluded that such maintenance would benefit the CFD. Maintenance also includes cleaning and removal of graffiti, and associated electric and other utility costs.

#### Neighborhood Parks & Landscaping

Maintenance, including servicing, repair, replacement and removal of neighborhood parks (includes park amenities such as playground equipment, play courts, play structures, picnic tables, lighting, drinking fountains, barbeques, etc.), both (i) in the CFD and (ii) outside the CFD but within the boundaries of the City if the City has concluded that such maintenance would benefit the CFD. Maintenance also includes cleaning and removal of graffiti, and associated electric, water and other utility costs.

Maintenance, including servicing, repair, replacement and removal of parkways, landscape setbacks, landscaped roadway medians, open space, environmental preserves (including performance and management of environmental mitigation monitoring and annual reporting), publicly-owned masonry walls, fences, monuments and features, trails, bike paths, etc., both (i) in the CFD and (ii) outside the CFD but within the boundaries of the City if the City has concluded that such maintenance would benefit the CFD. Maintenance also includes cleaning and removal of graffiti, and associated electric, water and other utility costs.

### Stormwater

Maintenance, including servicing, repair, replacement and removal of bio-retention facilities and drainage facilities (includes field inspections, record keeping, cost of permits and regulatory fees, environmental mitigation monitoring, annual reporting, vegetation management, removal of silt, sediment, trash and debris from the drainage areas, bio-retention basins and City catch basins, etc.), both (i) in the CFD and (ii) outside the CFD but within the boundaries of the City if the City has concluded that such maintenance would benefit the CFD. Maintenance also includes cleaning and removal of graffiti, and associated electric, water and other utility costs.

In addition, the following costs will also be financed by the special taxes levied within the CFD and be allocated to each improvement described above based upon their pro-rata share of needed administrative costs, operating reserves and capital reserves, and actual or estimated delinquencies.

1. Administrative Expenses including the costs incurred to determine, levy and collect the special taxes, including compensation of City employees for administrative work performed in relation to the CFD, the fees of consultants and legal counsel, the costs of collecting installments of the special taxes upon the general tax rolls, preparation of required reports, and any other costs incurred in the administration of the CFD by the City;
2. Any amounts needed for operating reserves and capital reserves; and
3. Any amounts needed to cure actual or estimated delinquencies in special taxes for the current or previous fiscal years.



**EXHIBIT B**


**City of Oakley  
Community Facilities District No. 2015-2  
(Parks, Street Light, Landscape and Stormwater Services)**

**BOUNDARY MAP**


Reference is hereby made to the map on file in the office of the City Clerk for a description of the boundaries of the CFD. A reduced copy of the boundary map for Community Facilities District No. 2015-2 (Parks, Street Light, Landscape and Stormwater Services) is included on the following page.

PROPOSED BOUNDARY MAP  
CITY OF OAKLEY COMMUNITY FACILITIES DISTRICT No. 2015-2  
(PARKS, STREET LIGHTS, LANDSCAPE MAINTENANCE AND STORMWATER)  
CITY OF OAKLEY  
COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF OAKLEY THIS  
30<sup>th</sup> DAY OF October, 2015.

  
LIBBY VREONIS, CITY CLERK  
CITY OF OAKLEY  
CONTRA COSTA COUNTY  
STATE OF CALIFORNIA

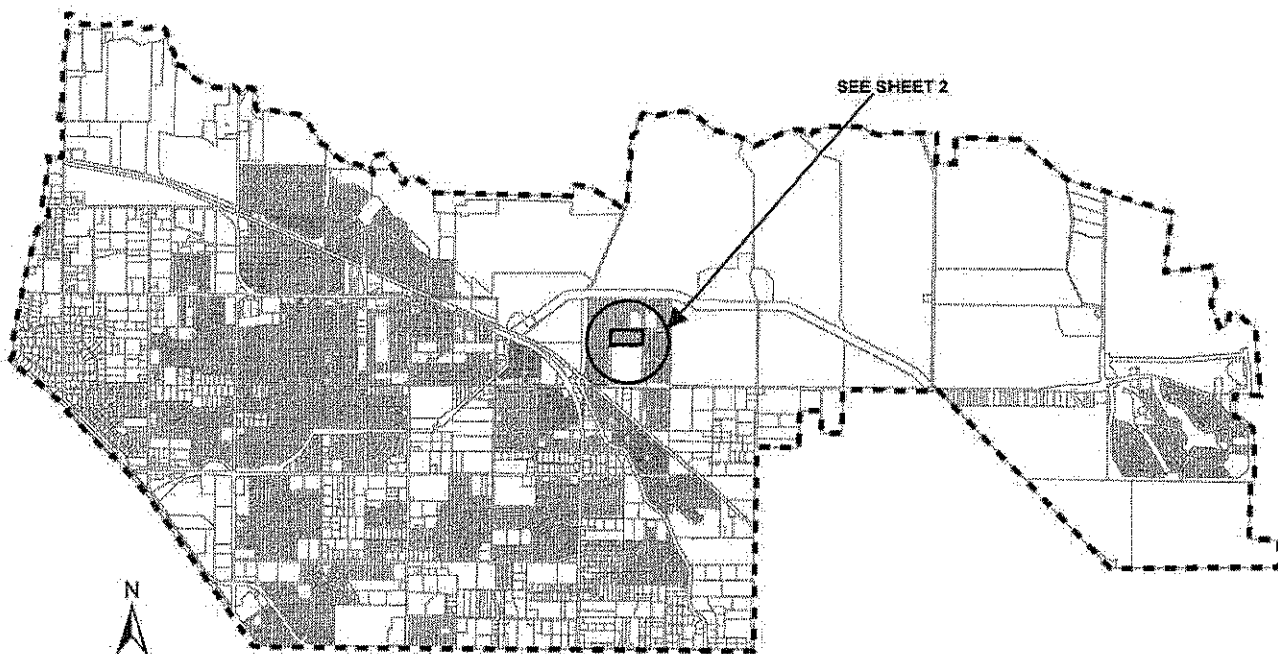
I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED  
BOUNDARIES OF CITY OF OAKLEY COMMUNITY FACILITIES DISTRICT  
No. 2015-2, CITY OF OAKLEY, COUNTY OF CONTRA COSTA, STATE  
OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE  
CITY OF OAKLEY, AT A REGULAR MEETING THEREOF, HELD ON  
THE 22<sup>th</sup> DAY OF October, 2015, BY ITS RESOLUTION  
No. 14-15.

  
LIBBY VREONIS, CITY CLERK  
CITY OF OAKLEY  
CONTRA COSTA COUNTY  
STATE OF CALIFORNIA




FILED THIS 9<sup>th</sup> DAY OF November, 2015, AT THE HOUR  
OF 8:34 A.M. IN BOOK 85 OF MAPS OF ASSESSMENT  
AND COMMUNITY FACILITIES DISTRICTS AT PAGE 20, DOCUMENT  
No. 15-094774 IN THE OFFICE OF THE COUNTY RECORDER  
IN CONTRA COSTA COUNTY, STATE OF CALIFORNIA.

  
Joseph Sanjivani  
County Recorder  
County of Contra Costa  
State of California  
*Deputy*

ASSESSOR PARCELS WITHIN BOUNDARY; FOR PARTICULARS OF  
LINES AND DIMENSIONS OF PARCELS, REFERENCE IS MADE  
TO THE ASSESSOR PARCEL MAPS OF CONTRA COSTA COUNTY.



**Legend**

-  CFD No. 2015-2 Boundary
-  Future Annexation Area, City of Oakley Boundary
-  Parcels



**PROPOSED BOUNDARY MAP**  
**CITY OF OAKLEY COMMUNITY FACILITIES DISTRICT NO. 2015-2**  
**(PARKS, STREET LIGHTS, LANDSCAPE MAINTENANCE AND STORMWATER)**  
**CITY OF OAKLEY**  
**COUNTY OF CONTRA COSTA, STATE OF CALIFORNIA**

SHEET 2 OF 2

Reference Number	Assessor Parcel Number
1	037-570-001
2	037-570-002
3	037-570-003
4	037-570-004
5	037-570-005
6	037-570-006
7	037-570-007
8	037-570-008
9	037-570-009
10	037-570-010
11	037-570-011
12	037-570-012
13	037-570-013
14	037-570-014
15	037-570-015
16	037-570-016
17	037-570-017
18	037-570-018
19	037-570-019
20	037-570-020
21	037-570-021
22	037-570-022
23	037-570-023
24	037-570-024
25	037-570-025
26	037-570-026
27	037-570-027
28	037-570-028
29	037-570-029
30	037-570-030
31	037-570-031
32	037-570-032
33	037-570-033
34	037-570-034
35	037-570-035
36	037-570-036
37	037-570-037
38	037-570-038
39	037-570-039
40	037-570-040
41	037-570-041
42	037-570-042
43	037-570-043
44	037-570-044
45	037-570-045

Frank Hangel Way




PRESCOTT CIRCLE

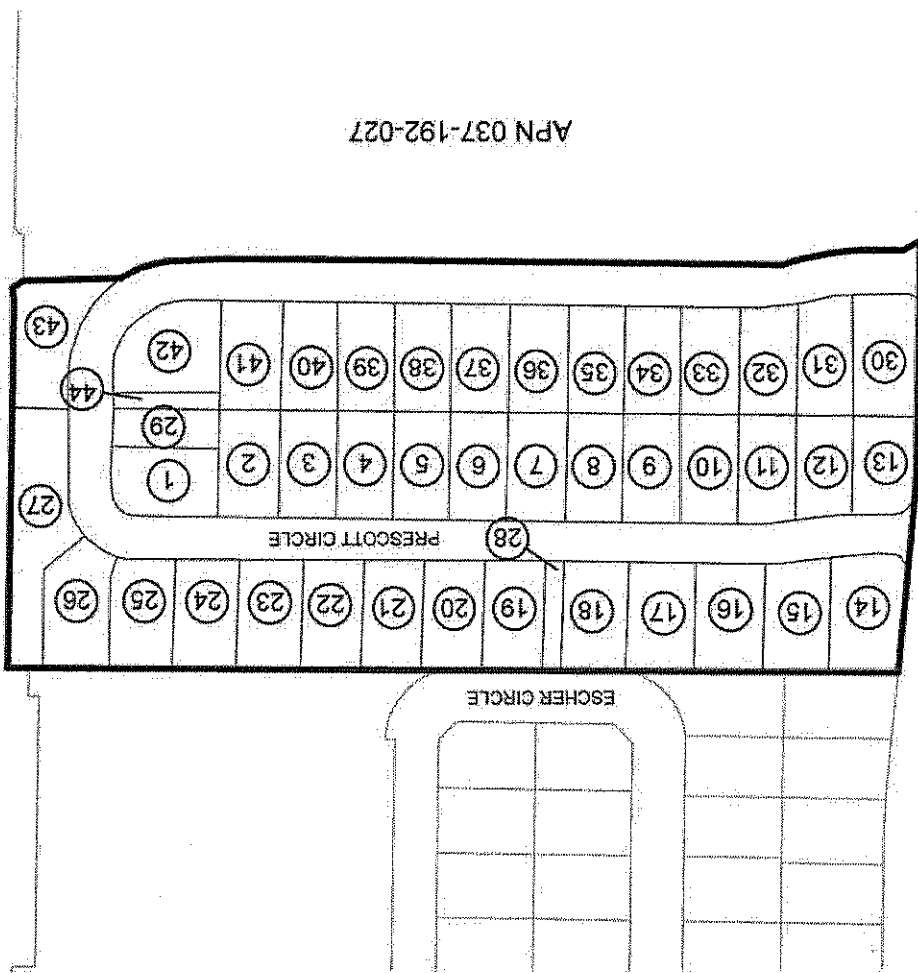
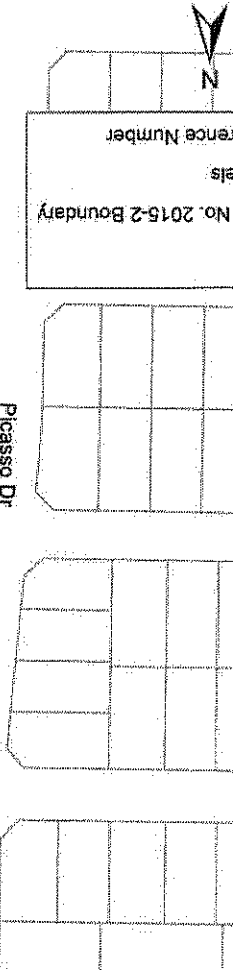
ESCHER CIRCLE

Picasso Dr

APN 037-192-027

**Legend**

-  Reference Number
-  Parcels
-  CFD No. 2015-2 Boundary



**EXHIBIT C**

**City of Oakley  
Community Facilities District No. 2015-2  
(Parks, Street Light, Landscape and Stormwater Services)**

**Cost Estimate  
(FY 2015-16 Dollars)**

Regional Parks	\$ 4,944.00
Community Parks	\$10,918.00
Street Lighting	\$ 2,155.60
Neighborhood Parks & Landscaping	\$16,785.60
Stormwater	<u>\$20,874.80</u>
Total	\$55,678.00

## EXHIBIT D

### City of Oakley Community Facilities District No. 2015-2 (Parks, Street Light, Landscape and Stormwater Services)

#### RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

Special Taxes in the City of Oakley Community Facilities District No. 2015-2 (Parks, Street Light, Landscape and Stormwater Services) (the "CFD" or "CFD No. 2015-2") shall be levied and collected according to the tax liability determined by the Administrator through the application of the appropriate amount or rate for Taxable Property, as described below. All of the property in CFD No. 2015-2, unless exempted by law or by the provisions of Section E herein, shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to CFD No. 2015-2, unless a separate Rate and Method of Apportionment of Special Tax is adopted for such annexation area.

#### **A. DEFINITIONS**

The terms hereinafter set forth have the following meanings:

**"Accessory Unit"** means a second residential unit of reduced size (e.g., granny cottage, etc.) that shares a Parcel with a Residential Unit.

**"Acre" or "Acreage"** means the land area of 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 Map or other recorded County parcel map.

**"Act"** means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 (commencing with Section 53311), Division 2, of Title 5 of the Government Code of the State of California.

**"Administrative Expenses"** means the following actual or reasonably estimated costs directly related to the administration of CFD No. 2015-2: the costs of computing the Special Tax and preparing the annual Special Tax collection schedules (whether by the City or any designee thereof or both); the costs of collecting the Special Taxes; the costs to the City, CFD No. 2015-2, or any designee thereof of complying with disclosure requirements associated with the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries, protests, or appeals regarding the Special Taxes; and the City's annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 2015-2 for any other administrative purposes of CFD No. 2015-2, including attorney's fees, costs associated with annexations to CFD No. 2015-2, and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

**"Administrator"** means an official of the City, or any designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Tax.

**“Assessor’s Parcel”** or **“Parcel”** means a lot or parcel shown on 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.

**“Assessor’s Parcel Number”** or **“APN”** means a unique number assigned to an Assessor’s Parcel by the County Assessor for purposes of identifying a property.

**“Authorized Services”** means the public services authorized to be funded by CFD No. 2015-2 as set forth in the documents adopted by the Council when CFD No. 2015-2 was formed.

**“Building Permit”** means a building permit issued by the City and having a building structure improvement valuation over \$50,000. Building Permits for the construction of ancillary structures such as fences, swimming pools, retaining walls, etc. are excluded.

**“CFD”** or **“CFD No. 2015-2”** means the City of Oakley Community Facilities District No. 2015-2 (Parks, Street Light, Landscape and Stormwater Services).

**“City”** means the City of Oakley.

**“City Landscape Maintenance Standards”** means the then applicable landscape maintenance standards or then applicable level of service for then applicable landscape maintenance contracts executed by the City that are in effect and relate to similar landscaping improvements.

**“City Manager”** means the City Manager of the City of Oakley.

**“Commercial Unit”** means an individual building structure for commercial uses as defined per the County Assessor (e.g., grocery stores, shopping centers, motel, hotel, service stations, and offices).

**“Condominium Parcel”** means a Parcel designated by the County Assessor as having a condominium, townhome, cluster home and co-op land use.

**“Council”** means the City Council of the City of Oakley, acting as the legislative body for CFD No. 2015-2.

**“County”** means the County of Contra Costa.

**“County Assessor”** means the Contra Costa County Assessor.

**“County Land Use Code”** means the land use code assigned to an Assessor’s Parcel as indicated in the records of the County Assessor.

**“Developed Property”** means, in any Fiscal Year, all Parcels of Taxable Property for which a Building Permit was issued by the City for construction of a residential structure or a non-residential structure on or prior to June 30 of the preceding Fiscal Year. In the absence of a Building Permit, any Parcel of Taxable Property shall be classified as “Developed Property”

if it has been occupied by a user as determined by the Administrator on or prior to June 30 of the preceding Fiscal Year.

**“Final Map” or “Parcel Map”** means a final map approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410, *et seq.*) that creates individual lots on which a Building Permit can be issued for construction of Residential Units without further subdivision of the lots.

**“Fiscal Year”** means the period starting on July 1 and ending on the following June 30.

**“Industrial”** means an individual building structure for industrial uses as defined per the County Assessor (e.g., research and development, mini-warehouse, etc.).

**“Institutional”** means an individual building structure for institutional uses as defined per the County Assessor (e.g., churches, hospitals, assisted living, schools, etc.).

**“Land Use Classification”** means the current or intended use of a Taxable Parcel as determined by the Taxable Parcel’s County Land Use Code.

**“Maximum Special Tax”** means, for each Special Tax Component, the maximum Special Tax, determined in accordance with Section C herein, which can be levied in any Fiscal Year.

**“Mixed Use Parcel”** means a Parcel designated by the County Assessor as having a multiple land uses such as residential land uses and commercial land uses, or multi-family land uses and commercial land uses.

**“Multi-Family Parcel”** means a Parcel designated by the County Assessor as having a multi-family residential land uses which includes duplexes, triplexes, fourplexes and apartments,

**“Non-Residential Parcel”** means for each Fiscal Year, all Assessor Parcels designated by the County Assessor with a County Land Use Code of Commercial, Industrial, or Institutional. If it is determined by the Administrator that the County Assessor has assigned an incorrect County Land Use Code or the assigned County Land Use Code does not correctly describe the intended or current use of the Taxable Parcel, the Administrator may assign a Land Use Classification to the Taxable Parcel described in Section C below.

**“Non-Residential Parcel – In Compliance”** this definition only applies for the purpose of calculating the annual neighborhood landscape maintenance tax component and means for each Fiscal Year, an Assessor Parcel designated by the County Assessor with a County Land Use Code of Commercial, Industrial, or Institutional for which the Property Owner of the Commercial, Industrial, or Institutional Parcel has notified the City in writing by the preceding February 1<sup>st</sup> that it wishes to maintain its parcel’s frontage landscaping during the immediate following fiscal year and the City Manager or his/her designee has determined that the Property Owner has maintained its Parcel’s frontage landscaping in previous Fiscal Years to City Landscape Maintenance Standards. In addition, in order for any Commercial, Industrial, or Institutional Parcel to be defined as a Non-Residential Parcel – In Compliance, all Non-Residential Parcels within a Tax Zone of CFD No. 2015-2 must also be defined as Non-Residential Parcel – In Compliance.

**“Non-Residential Parcel – Out of Compliance”** this definition only applies for the purpose of calculating the annual neighborhood landscape maintenance tax component and means for each Fiscal Year, an Assessor Parcel designated by the County Assessor with a County Land Use Code of Commercial, Industrial, or Institutional for which the Property Owner of the Non-Residential Parcel has not notified the City in writing by the preceding February 1<sup>st</sup> that it wishes to maintain its parcel’s frontage landscaping during the immediate following fiscal year and the City Manager or his/her designee has determined that the Property Owner has not maintained its Parcel’s frontage landscaping in previous Fiscal Years to City Landscape Maintenance Standards. In addition, if any Non-Residential Parcel is defined as a Non-Residential Parcel – Out of Compliance, then all Non-Residential Parcels within a Tax Zone CFD No. 2015-2 will also be defined as Non-Residential Parcel – Out of Compliance.

**“Property Owner”** means the Property Owner of record per current County Assessor records unless more current information is available such as recorded deed of sale, etc.

**“Proportionately”** means, for Developed Property, that the ratio of the actual annual Special Tax levied in any Fiscal Year to the Maximum Special Tax authorized to be levied in that Fiscal Year is equal for all Assessor’s Parcels of Developed Property. For Undeveloped Property, “Proportionately” means that the ratio of the actual annual Special Tax levied in any Fiscal Year to the Maximum Special Tax authorized to be levied in that Fiscal Year is equal for all Assessor’s Parcels of Undeveloped Property.

**“Public Property”** means, for each Fiscal Year: (i) any property within the boundaries of CFD No. 2015-2 that is owned by or irrevocably offered for dedication to the federal government, the State of California, the City or any other public agency; provided, however, that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act (as such section may be amended or replaced) shall be taxed and classified in accordance with its use; or (ii) any property within the boundaries of CFD No. 2015-2 that is encumbered by an unmanned utility easement making impractical its utilization for other than the purpose set forth in the easement.

**“Residential Unit”** means an individual building structure for residential or multi-family residential uses as defined per the County Assessor. An Accessory Unit that shares a Parcel with a Residential Unit shall not be considered a separate Residential Unit for purposes of this RMA.

**“RMA”** means this Rate and Method of Apportionment of Special Tax.

**“Single-Family Parcel”** means a Parcel designated by the County Assessor as having a single-family residential land use. If it is determined by the Administrator that the County Assessor has assigned an incorrect County Land Use Code or the assigned County Land Use Code does not correctly describe the intended or current use of the Taxable Parcel, the Administrator may assign a Land Use Classification to the Taxable Parcel described in Section C below.

**“Special Tax”** means any tax levied within CFD No. 2015-2 to pay the Special Tax Requirement, and includes each Special Tax Component.

**“Special Tax Component”** means one of the following components of the Special Tax: Community Park Maintenance Tax, Street Lighting Maintenance Tax, Neighborhood Parks and Landscape Maintenance Tax, or Stormwater Maintenance Tax.



**“Special Tax Requirement”** means, for each Special Tax Component, the amount of revenue needed in any Fiscal Year to pay for the following: (i) Authorized Services related to the Special Tax Component; (ii) Administrative Expenses attributable to the Special Tax Component; and (iii) amounts needed to cover any delinquencies in the payment of the Special Tax Component which occurred in the previous Fiscal Year or, based on delinquency rates in prior years, may be expected to occur in the Fiscal Year in which the Special Tax will be collected.

**“Taxable Property” or “Taxable Parcels”** means all Assessors’ Parcels within the boundaries of CFD No. 2015-2 that are not exempt from the Special Tax pursuant to law or Section E herein.

**“Tax Zone”** means a mutually exclusive geographic area within which the Special Tax may be levied pursuant to this RMA. All of the property within CFD No. 2015-2 at the time of CFD Formation is within Tax Zone 1. Additional Tax Zones may be created when property is annexed to CFD No. 2015-2, and a separate Maximum Special Tax shall be identified for property within the new Tax Zone at the time of such annexation. The Assessor’s Parcels included within a new Tax Zone established when such Parcels are annexed to CFD No. 2015-2 shall be identified by Assessor’s Parcel Number in the Unanimous Approval Form that is signed by the owner(s) of the Parcels at the time of annexation.

**“Unanimous Approval Form”** means that form executed by the record owner of fee title to a Parcel or Parcels annexed into CFD No. 2015-2 that constitutes the property owner’s approval and unanimous vote in favor of annexing into CFD No. 2015-2, the levy of the Special Tax against his/her Parcel or Parcels pursuant to this RMA.

**“Undeveloped Property”** means, in any Fiscal Year, all Parcels of Taxable Property in CFD No. 2015-2 that are not classified as Developed Property.

## **B. DATA FOR ANNUAL TAX LEVY**

Each Fiscal Year, the Administrator shall identify the current Assessor’s Parcel Numbers for all Parcels of Taxable Property within CFD No. 2015-2. The Administrator shall also determine: (i) whether each Assessor’s Parcel of Taxable Property is Developed Property or Undeveloped Property, and (ii) the Special Tax Requirement for each Special Tax Component for the then-current Fiscal Year. Each Special Tax Component shall be levied only to pay for the related Special Tax Requirement.

In any Fiscal Year, if it is determined that (i) a Final Map or Parcel Map for a portion of property in CFD No. 2015-2 was recorded after the last date upon which the County Assessor will incorporate the newly-created Parcels into the then current tax roll, (ii) because of the date the Final Map or Parcel Map was recorded, the County Assessor does not yet recognize the new Parcels that will be created by the Final Map or Parcel Map, and (iii) one or more of the newly-created Parcels would meet the definition of Developed Property, the Administrator shall calculate the Special Tax for the property affected by recordation of the Final Map or Parcel Map by determining the Special Tax that applies separately to each new Parcel that will be created by that Final Map or Parcel Map, then applying the sum of the individual Special Taxes to the Parcel that was subdivided by recordation of the Final Map or Parcel Map.

**C. MAXIMUM SPECIAL TAXES**

1. **Developed Property** - The Fiscal Year 2015-16 Maximum Special Tax for each Special Tax Component for all Parcels of Developed Property shall be as shown in Table 1 below:

Table 1: Developed Property		
Special Tax Component	Land Use Classification	FY 2015-16 Maximum Tax
Regional Park Maintenance Tax	Single-Family Parcel	\$123.60 per Parcel
Regional Park Maintenance Tax	Condominium Parcel	\$92.70 per Parcel
Regional Park Maintenance Tax	Multi-Family Parcel	\$61.80 per Unit
Regional Park Maintenance Tax	Non-Residential Parcel	\$370.80 per Acre
Community Parks Maintenance Tax	Single-Family Parcel	\$272.95 per Parcel
Community Parks Maintenance Tax	Condominium Parcel	\$204.71 per Parcel
Community Parks Maintenance Tax	Multi-Family Parcel	\$136.48 per Unit
Community Parks Maintenance Tax	Non-Residential Parcel	\$818.85 per Acre
Street Lighting Maintenance Tax	Single-Family Parcel	\$53.89 per Parcel
Street Lighting Maintenance Tax	Condominium Parcel	\$40.42 per Parcel
Street Lighting Maintenance Tax	Multi-Family Parcel	\$26.95 per Unit
Street Lighting Maintenance Tax	Non-Residential Parcel	\$161.67 per Acre
Neighborhood Parks & Landscape Maintenance Tax	Single-Family Parcel	\$419.64 per Parcel
Neighborhood Parks & Landscape Maintenance Tax	Condominium Parcel	\$314.73 per Parcel
Neighborhood Parks & Landscape Maintenance Tax	Multi-Family Parcel	\$209.82 per Unit
Neighborhood Parks & Landscape Maintenance Tax	Non-Residential-In Compliance Parcel	\$0.00 per Acre
Neighborhood Parks & Landscape Maintenance Tax	Non-Residential-Out of Compliance Parcel	\$1,258.92 per Acre
Stormwater Maintenance Tax	Single-Family Parcel	\$521.87 per Parcel
Stormwater Maintenance Tax	Condominium Parcel	\$391.40 per Parcel
Stormwater Maintenance Tax	Multi-Family Parcel	\$260.94 per Unit
Stormwater Maintenance Tax	Non-Residential Parcel	\$1,565.61 per Acre

Mixed Use Parcels will have their Maximum Tax calculated each Fiscal Year based upon their combined uses on the Parcel. For example if a one acre parcel has commercial on the ground floor and 50 condominiums on the second floor the property owner will be charged the Non-Residential Parcel rate for one acre and the Condominium Parcel Rate for the 50 condominiums.

2. **Undeveloped Property** - The Fiscal Year 2015-16 Maximum Special Tax for each Special Tax Component for all Parcels of Undeveloped Property shall be as shown in Table 2 below:

Table 2: Undeveloped Property		
Special Tax Component	Land Use Classification	FY 2015-16 Maximum Tax
Regional Park Maintenance Tax	Single-Family Parcel	\$370.80 per Acre
Regional Park Maintenance Tax	Condominium Parcel	\$278.10 per Acre
Regional Park Maintenance Tax	Multi-Family Parcel	\$185.40 per Acre
Regional Park Maintenance Tax	Non-Residential Parcel	\$185.40 per Acre
Community Parks Maintenance Tax	Single-Family Parcel	\$818.85 per Acre
Community Parks Maintenance Tax	Condominium Parcel	\$614.14 per Acre
Community Parks Maintenance Tax	Multi-Family Parcel	\$409.43 per Acre
Community Parks Maintenance Tax	Non-Residential Parcel	\$409.43 per Acre
Street Lighting Maintenance Tax	Single-Family Parcel	\$161.67 per Acre
Street Lighting Maintenance Tax	Condominium Parcel	\$121.25 per Acre
Street Lighting Maintenance Tax	Multi-Family Parcel	\$80.84 per Acre
Street Lighting Maintenance Tax	Non-Residential Parcel	\$80.84 per Acre
Neighborhood Parks & Landscape Maintenance Tax	Single-Family Parcel	\$1,258.92 per Acre
Neighborhood Parks & Landscape Maintenance Tax	Condominium Parcel	\$944.19 per Acre
Neighborhood Parks & Landscape Maintenance Tax	Multi-Family Parcel	\$629.46 per Acre
Neighborhood Parks & Landscape Maintenance Tax	Non-Residential-In Compliance Parcel	\$0.00 per Acre
Neighborhood Parks & Landscape Maintenance Tax	Non-Residential-Out of Compliance Parcel	\$629.46 per Acre
Stormwater Maintenance Tax	Single-Family Parcel	\$1,565.61 per Acre
Stormwater Maintenance Tax	Condominium Parcel	\$1,174.21 per Acre
Stormwater Maintenance Tax	Multi-Family Parcel	\$782.81 per Acre
Stormwater Maintenance Tax	Non-Residential Parcel	\$782.81 per Acre

### 3. Escalation of Maximum Special Tax

On July 1, 2015, and each July 1 thereafter, the Maximum Special Tax for each Special Tax Component for the current Fiscal Year for Developed Property and Undeveloped Property shall be increased from the Maximum Special Tax for the respective Special Tax Component for the previous Fiscal Year by Consumer Price Index – All Urban Consumers (San Francisco-Oakland-San Jose, CA) (from February) with a minimum annual increase of three (3.00%) percent and a maximum annual increase of five (5.00%) percent for any given year.

**D. METHOD OF LEVY AND COLLECTION OF SPECIAL TAXES**

Each Fiscal Year, the Administrator shall determine the Special Tax Requirement for each Special Tax Component for that Fiscal Year and levy each Special Tax Component on all Parcels of Taxable Property as follows:

**Step 1:** Each Special Tax Component shall be levied Proportionately on each Parcel of Developed Property up to 100% of the Maximum Special Tax for each Parcel of Developed Property for such Fiscal Year until the amount levied is equal to the Special Tax Requirement for such Special Tax Component;

**Step 2:** If additional revenue is needed after Step 1, each Special Tax Component shall be levied Proportionately on each Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for each Parcel of Undeveloped Property for such Fiscal Year until the amount levied, when combined with the amount of the Special Tax Component levied pursuant to Step 1, is equal to the Special Tax Requirement for such Special Tax Component.

The Special Tax for CFD No. 2015-2 shall be collected at the same time and in the same manner as ordinary ad valorem property taxes provided, however, that the City may (under the authority of Government Code Section 53340) collect Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of CFD No. 2015-2, and the Special Tax shall be subject to foreclosure if delinquent regardless of the manner in which it was collected.

**E. EXEMPTIONS**

No Special Tax shall be levied on Parcels of Public Property or any privately owned Parcels that are non-developable, such as common areas, wetlands, and open space, parks, etc. except as otherwise provided in this RMA and in the Act.

**F. 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 Special Taxes. 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 through a resolution of the Council for purposes of clarifying any vagueness or ambiguity in this RMA.

**G. TERM OF THE SPECIAL TAX**

The Special Tax shall be levied in perpetuity as necessary to pay the Special Tax Requirement.

#### **H. REPEAL OF THE SPECIAL TAX**

CFD No. 2015-2 was established to levy the Special Tax to finance the Authorized Services as a condition of the entitlement to develop the Developed Property in CFD No. 2015-2. If the levy of the Special Tax is repealed by initiative or any other action participated in by the owners of Parcels in CFD No. 2015-2, the City shall cease to levy the Special Tax and shall cease to be obligated to provide the Authorized Services for which the Special Tax was levied.

#### **I. SEVERABILITY**

The invalidity or unenforceability of any provisions of this Rate and Method of Apportionment of Special Tax shall not affect the validity or enforceability of any other provision of this Rate and Method of Apportionment of Special Tax, which shall remain in full force and effect.

RESOLUTION NO. \_\_\_\_\_

RESOLUTION OF FORMATION OF COMMUNITY FACILITIES DISTRICT

CITY OF OAKLEY  
Community Facilities District No. 2015-2  
(Parks, Street Light, Landscape and Stormwater Services)

**RESOLVED** by the City Council (the "Council") of the City of Oakley (the "City"), County of Contra Costa, State of California, that:

**WHEREAS**, the City Council has adopted a resolution entitled "Amended and Restated Resolution of Intention to Establish Community Facilities District" (the "Resolution of Intention"), stating its intention to form (i) the "City of Oakley Community Facilities District No. 2015-2 (Parks, Street Light, Landscape and Stormwater Services)" (the "CFD") and (ii) the "City of Oakley Community Facilities District No. 2015-2 (Parks, Street Light, Landscape and Stormwater Services) (Future Annexation Area)" (the "Future Annexation Area") pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with Section 53311, of the California Government Code (the "Act");

**WHEREAS**, the Resolution of Intention, incorporating a map of the proposed boundaries of the CFD and the Future Annexation Area and stating the services to be provided and the rate and method of apportionment of 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;

**WHEREAS**, on this date, this Council held a noticed 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;

**WHEREAS**, at the hearing all interested persons desiring to be heard on all matters pertaining to the formation of the CFD and the Future Annexation Area, the services to be provided therein and the levy of such special tax were heard and a full and fair hearing was held;

**WHEREAS**, at the hearing evidence was presented to this Council on such matters before it, including a special report (the "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;

**WHEREAS**, written protests with respect to the formation of the CFD, the furnishing of specified types of services and the rate and method of apportionment of the special taxes have not been filed with the City Clerk by 50% or more of the registered voters residing within the territory of the CFD or property owners of one-half

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or more of the area of land within the CFD and not exempt from the proposed special taxes;

**WHEREAS**, written protests have not been filed with the City Clerk against the proposed annexation of the Future Annexation Area to the CFD by (i) 50% of more of the registered voters, or six registered voters, whichever is more, residing in the proposed boundaries of the CFD, or (ii) 50% or more of the registered voters, or six registered voters, whichever is more, residing in the Future Annexation Area, (iii) owners of one-half or more of the area of land in the proposed CFD or (iv) owners of one-half or more of the area of land in the Future Annexation Area.

**NOW, THEREFORE, BE IT RESOLVED AND ORDERED**, as follows:

1. **Recitals Correct.** The foregoing recitals are true and correct.
2. **No Majority Protest.** The proposed CFD, the proposed Future Annexation Area and the proposed special tax to be levied within the CFD have not been precluded by majority protest pursuant to section 53324 of the Act.
3. **Prior Proceedings Valid.** All prior proceedings taken by this City Council in connection with the establishment of the CFD and the Future Annexation Area and the levy of the special tax have been duly considered and are hereby found and determined to be valid and in conformity with the Act.
4. **Name of the CFD and the Future Annexation Area.** The community facilities district designated "City of Oakley Community Facilities District No. 2015-2 (Parks, Street Light, Landscape and Stormwater Services)" is hereby established pursuant to the Act. The future annexation area designated "City of Oakley Community Facilities District No. 2015-2 (Parks, Street Light, Landscape and Stormwater Services) (Future Annexation Area)" is hereby established pursuant to the Act.
5. **Boundaries of CFD.** The boundaries of the CFD and the Future Annexation Area, as set forth in the map of the CFD heretofore recorded in the Contra Costa County Recorder's Office on November 9, 2015, at 8:34 a.m., in Book 85 of Maps of Assessment and Community Facilities Districts at Page 20, are hereby approved, are incorporated herein by reference and shall be the boundaries of the CFD and the Future Annexation Area.

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

**7. Special Tax.**

a. Except to the extent that funds are otherwise available to the CFD to pay for the Services, a special tax (the "Special Tax") sufficient to pay the costs thereof, secured by the recordation of a continuing lien against all non-exempt real property in the CFD, is intended to be levied annually within the CFD, and collected in the same manner as ordinary ad valorem property taxes or in such other manner as may be prescribed by this Council.

b. The proposed rate and method of apportionment of the Special Tax among the parcels of real property within the CFD, in sufficient detail to allow each landowner within the proposed CFD to estimate the maximum amount such owner will have to pay, are shown in Exhibit B attached hereto and hereby incorporated herein.

c. Territory in the Future Annexation Area will be annexed into the CFD and a special tax will be levied on such territory only with the Unanimous Approval of the owner or owners of each parcel or parcels at the time that parcel or those parcels are annexed into the CFD. Except to the extent that funds are otherwise available to the CFD to pay for the Services, a special tax sufficient to pay the costs thereof, secured by the recordation of a continuing lien against all non-exempt real property in the Future Annexation Area, is intended to be levied annually within the Future Annexation Area, and collected in the same manner as ordinary ad valorem property taxes or in such other manner as may be prescribed by this City Council. As required by Section 53339.3(d) of the Act, the 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 existing CFD, except that a higher or lower tax may be levied within the Future Annexation Area to the extent that the actual cost of providing the Services in the Future Annexation Area is higher or lower than the cost of providing those Services in the existing CFD. In so finding, the Council does not intend to limit its ability to levy a special tax within the Future Annexation Area to provide new or additional services beyond those supplied within the existing CFD.

**8. 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 the Future Annexation Area. The Services are in addition to those provided in the territory of the CFD and the Future Annexation Area as of the date hereof and will not supplant services already available within the territory of the CFD and the Future Annexation Area as of the date hereof.

**9. Responsible Official.** The Finance Director (or his or her designee) of the City of Oakley, City Hall, 3231 Main Street, Oakley, California 94561, telephone number (925) 625-7000, 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.

**10. 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 Special Tax obligation is prepaid and permanently satisfied and the lien canceled in accordance with law or until collection of the Special Tax by the City ceases.

**11. Appropriations Limit.** In accordance with the Act, the annual appropriations limit, as defined by subdivision (h) of Section 8 of Article XIII B of the California Constitution, of the CFD is hereby preliminarily established at \$1,000,000, and such appropriations limit shall be submitted to the voters of the CFD as hereafter provided. The proposition establishing such annual appropriations limit shall become effective if approved by the qualified electors voting thereon and shall be adjusted in accordance with the applicable provisions of the Act and the Constitution.

**12. Election.** Pursuant to the Act, the proposition of the levy of the Special Tax and the proposition of the establishment of the appropriations limit specified above shall be submitted to the qualified electors of the CFD at an election the time, place and conditions of which election shall be as specified by a separate resolution of this Council.

**13. Effective Date.** This resolution shall take effect from and after the date of its passage and adoption.

\* \* \* \* \*

**PASSED AND ADOPTED** by the City Council of the City of Oakley at a meeting held on the 12<sup>th</sup> of January, 2016 by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTENTIONS:

APPROVED:

ATTEST:

\_\_\_\_\_  
Kevin Romick, Mayor

\_\_\_\_\_  
Libby Vreonis, City Clerk

\_\_\_\_\_  
Date

## EXHIBIT A

### **CITY OF OAKLEY Community Facilities District No. 2015-2 (Parks, Street Light, Landscape and Stormwater Services)**

#### DESCRIPTION OF SERVICES

The captioned Community Facilities District will finance, in whole or in part, the following services ("services" shall have the meaning given that term in the Mello-Roos Community Facilities Act of 1982), including all related administrative costs, expenses and related reserves for replacement of vehicles, equipment and facilities:

##### Regional Parks

Maintenance, including servicing, repair, replacement and removal of regional parks (includes park amenities such as buildings, sports fields, sports courts, playground equipment, play courts, play structures, picnic tables, lighting, drinking fountains, barbeques, etc.), both (i) in the CFD and (ii) outside the CFD but within the boundaries of the City if the City has concluded that such maintenance would benefit the CFD. Maintenance also includes cleaning and removal of graffiti, and associated electric, water and other utility costs.

##### Community Parks

Maintenance, including servicing, repair, replacement and removal of community parks (includes park amenities such as buildings, sports fields, sports courts, playground equipment, play courts, play structures, picnic tables, lighting, drinking fountains, barbeques, etc.), both (i) in the CFD and (ii) outside the CFD but within the boundaries of the City if the City has concluded that such maintenance would benefit the CFD. Maintenance also includes cleaning and removal of graffiti, and associated electric, water and other utility costs.

##### Street Lighting

Maintenance, including servicing, repair, replacement and removal of street lights (includes poles, fixtures, bulbs, conduits, equipment, including guys, anchors, posts, pedestals and metering devices, etc.), both (i) in the CFD and (ii) outside the CFD but within the boundaries of the City if the City has concluded that such maintenance would benefit the CFD. Maintenance also includes cleaning and removal of graffiti, and associated electric and other utility costs.

## Neighborhood Parks & Landscaping

Maintenance, including servicing, repair, replacement and removal of neighborhood parks (includes park amenities such as playground equipment, play courts, play structures, picnic tables, lighting, drinking fountains, barbeques, etc.), both (i) in the CFD and (ii) outside the CFD but within the boundaries of the City if the City has concluded that such maintenance would benefit the CFD. Maintenance also includes cleaning and removal of graffiti, and associated electric, water and other utility costs.

Maintenance, including servicing, repair, replacement and removal of parkways, landscape setbacks, landscaped roadway medians, open space, environmental preserves (including performance and management of environmental mitigation monitoring and annual reporting), publicly-owned masonry walls, fences, monuments and features, trails, bike paths, etc., both (i) in the CFD and (ii) outside the CFD but within the boundaries of the City if the City has concluded that such maintenance would benefit the CFD. Maintenance also includes cleaning and removal of graffiti, and associated electric, water and other utility costs.

## Stormwater

Maintenance, including servicing, repair, replacement and removal of bio-retention facilities and drainage facilities (includes field inspections, record keeping, cost of permits and regulatory fees, environmental mitigation monitoring, annual reporting, vegetation management, removal of silt, sediment, trash and debris from the drainage areas, bio-retention basins and City catch basins, etc.), both (i) in the CFD and (ii) outside the CFD but within the boundaries of the City if the City has concluded that such maintenance would benefit the CFD. Maintenance also includes cleaning and removal of graffiti, and associated electric, water and other utility costs.

In addition, the following costs will also be financed by the special taxes levied within the CFD and be allocated to each improvement described above based upon their pro-rata share of needed administrative costs, operating reserves and capital reserves, and actual or estimated delinquencies.

1. Administrative Expenses including the costs incurred to determine, levy and collect the special taxes, including compensation of City employees for administrative work performed in relation to the CFD, the fees of consultants and legal counsel, the costs of collecting installments of the special taxes upon the general tax rolls, preparation of required reports, and any other costs incurred in the administration of the CFD by the City;
2. Any amounts needed for operating reserves and capital reserves; and
3. Any amounts needed to cure actual or estimated delinquencies in special taxes for the current or previous fiscal years.

## EXHIBIT B

### **Community Facilities District No. 2015-2 (Parks, Street Light, Landscape and Stormwater Services)**

#### RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

Special Taxes in the City of Oakley Community Facilities District No. 2015-2 (Parks, Street Light, Landscape and Stormwater Services) (the "CFD" or "CFD No. 2015-2") shall be levied and collected according to the tax liability determined by the Administrator through the application of the appropriate amount or rate for Taxable Property, as described below. All of the property in CFD No. 2015-2, unless exempted by law or by the provisions of Section E herein, shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to CFD No. 2015-2, unless a separate Rate and Method of Apportionment of Special Tax is adopted for such annexation area.

#### **A. DEFINITIONS**

The terms hereinafter set forth have the following meanings:

**"Accessory Unit"** means a second residential unit of reduced size (e.g., granny cottage, etc.) that shares a Parcel with a Residential Unit.

**"Acre" or "Acreage"** means the land area of 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 Map or other recorded County parcel map.

**"Act"** means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 (commencing with Section 53311), Division 2, of Title 5 of the Government Code of the State of California.

**"Administrative Expenses"** means the following actual or reasonably estimated costs directly related to the administration of CFD No. 2015-2: the costs of computing the Special Tax and preparing the annual Special Tax collection schedules (whether by the City or any designee thereof or both); the costs of collecting the Special Taxes; the costs to the City, CFD No. 2015-2, or any designee thereof of complying with disclosure requirements associated with the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries, protests, or appeals regarding the Special Taxes; and the City's annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 2015-2 for any other administrative purposes of CFD No. 2015-2, including attorney's fees, costs associated with

annexations to CFD No. 2015-2, and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

**“Administrator”** means an official of the City, or any designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Tax.

**“Assessor’s Parcel”** or **“Parcel”** means a lot or parcel shown on 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.

**“Assessor’s Parcel Number”** or **“APN”** means a unique number assigned to an Assessor’s Parcel by the County Assessor for purposes of identifying a property.

**“Authorized Services”** means the public services authorized to be funded by CFD No. 2015-2 as set forth in the documents adopted by the Council when CFD No. 2015-2 was formed.

**“Building Permit”** means a building permit issued by the City and having a building structure improvement valuation over \$50,000. Building Permits for the construction of ancillary structures such as fences, swimming pools, retaining walls, etc. are excluded.

**“CFD”** or **“CFD No. 2015-2”** means the City of Oakley Community Facilities District No. 2015-2 (Parks, Street Light, Landscape and Stormwater Services).

**“City”** means the City of Oakley.

**“City Landscape Maintenance Standards”** means the then applicable landscape maintenance standards or then applicable level of service for then applicable landscape maintenance contracts executed by the City that are in effect and relate to similar landscaping improvements.

**“City Manager”** means the City Manager of the City of Oakley.

**“Commercial Unit”** means an individual building structure for commercial uses as defined per the County Assessor (e.g., grocery stores, shopping centers, motel, hotel, service stations, and offices).

**“Condominium Parcel”** means a Parcel designated by the County Assessor as having a condominium, townhome, cluster home and co-op land use.

**“Council”** means the City Council of the City of Oakley, acting as the legislative body for CFD No. 2015-2.

**“County”** means the County of Contra Costa.

**“County Assessor”** means the Contra Costa County Assessor.

**“County Land Use Code”** means the land use code assigned to an Assessor’s Parcel as indicated in the records of the County Assessor.

**“Developed Property”** means, in any Fiscal Year, all Parcels of Taxable Property for which a Building Permit was issued by the City for construction of a residential structure or a non-residential structure on or prior to June 30 of the preceding Fiscal Year. In the absence of a Building Permit, any Parcel of Taxable Property shall be classified as “Developed Property” if it has been occupied by a user as determined by the Administrator on or prior to June 30 of the preceding Fiscal Year.

**“Final Map” or “Parcel Map”** means a final map approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410, *et seq.*) that creates individual lots on which a Building Permit can be issued for construction of Residential Units without further subdivision of the lots.

**“Fiscal Year”** means the period starting on July 1 and ending on the following June 30.

**“Industrial”** means an individual building structure for industrial uses as defined per the County Assessor (e.g., research and development, mini-warehouse, etc.).

**“Institutional”** means an individual building structure for institutional uses as defined per the County Assessor (e.g., churches, hospitals, assisted living, schools, etc.).

**“Land Use Classification”** means the current or intended use of a Taxable Parcel as determined by the Taxable Parcel’s County Land Use Code.

**“Maximum Special Tax”** means, for each Special Tax Component, the maximum Special Tax, determined in accordance with Section C herein, which can be levied in any Fiscal Year.

**“Mixed Use Parcel”** means a Parcel designated by the County Assessor as having a multiple land uses such as residential land uses and commercial land uses, or multi-family land uses and commercial land uses.

**“Multi-Family Parcel”** means a Parcel designated by the County Assessor as having a multi-family residential land uses which includes duplexes, triplexes, fourplexes and apartments,

**“Non-Residential Parcel”** means for each Fiscal Year, all Assessor Parcels designated by the County Assessor with a County Land Use Code of Commercial, Industrial, or Institutional. If it is determined by the Administrator that the County Assessor has assigned an incorrect County Land Use Code or the assigned County Land Use Code does not correctly describe the intended or current use of the Taxable Parcel, the Administrator may assign a Land Use Classification to the Taxable Parcel described in Section C below.

**“Non-Residential Parcel – In Compliance”** this definition only applies for the purpose of calculating the annual neighborhood landscape maintenance tax component and means for each Fiscal Year, an Assessor Parcel designated by the County Assessor with a County Land Use Code of Commercial, Industrial, or Institutional for which the Property Owner of the Commercial, Industrial, or Institutional Parcel has notified the City in writing by the preceding February 1<sup>st</sup> that it wishes to maintain its parcel's frontage landscaping during the immediate following fiscal year and the City Manager or his/her designee has determined that the Property Owner has maintained its Parcel's frontage landscaping in previous Fiscal Years to City Landscape Maintenance Standards. In addition, in order for any Commercial, Industrial, or Institutional Parcel to be defined as a Non-Residential Parcel – In Compliance, all Non-Residential Parcels within a Tax Zone of CFD No. 2015-2 must also be defined as Non-Residential Parcel – In Compliance.

**“Non-Residential Parcel – Out of Compliance”** this definition only applies for the purpose of calculating the annual neighborhood landscape maintenance tax component and means for each Fiscal Year, an Assessor Parcel designated by the County Assessor with a County Land Use Code of Commercial, Industrial, or Institutional for which the Property Owner of the Non-Residential Parcel has not notified the City in writing by the preceding February 1<sup>st</sup> that it wishes to maintain its parcel's frontage landscaping during the immediate following fiscal year and the City Manager or his/her designee has determined that the Property Owner has not maintained its Parcel's frontage landscaping in previous Fiscal Years to City Landscape Maintenance Standards. In addition, if any Non-Residential Parcel is defined as a Non-Residential Parcel – Out of Compliance, then all Non-Residential Parcels within a Tax Zone CFD No. 2015-2 will also be defined as Non-Residential Parcel – Out of Compliance.

**“Property Owner”** means the Property Owner of record per current County Assessor records unless more current information is available such as recorded deed of sale, etc.

**“Proportionately”** means, for Developed Property, that the ratio of the actual annual Special Tax levied in any Fiscal Year to the Maximum Special Tax



authorized to be levied in that Fiscal Year is equal for all Assessor's Parcels of Developed Property. For Undeveloped Property, "Proportionately" means that the ratio of the actual annual Special Tax levied in any Fiscal Year to the Maximum Special Tax authorized to be levied in that Fiscal Year is equal for all Assessor's Parcels of Undeveloped Property.

**"Public Property"** means, for each Fiscal Year: (i) any property within the boundaries of CFD No. 2015-2 that is owned by or irrevocably offered for dedication to the federal government, the State of California, the City or any other public agency; provided, however, that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act (as such section may be amended or replaced) shall be taxed and classified in accordance with its use; or (ii) any property within the boundaries of CFD No. 2015-2 that is encumbered by an unmanned utility easement making impractical its utilization for other than the purpose set forth in the easement.

**"Residential Unit"** means an individual building structure for residential or multi-family residential uses as defined per the County Assessor. An Accessory Unit that shares a Parcel with a Residential Unit shall not be considered a separate Residential Unit for purposes of this RMA.

**"RMA"** means this Rate and Method of Apportionment of Special Tax.

**"Single-Family Parcel"** means a Parcel designated by the County Assessor as having a single-family residential land use. If it is determined by the Administrator that the County Assessor has assigned an incorrect County Land Use Code or the assigned County Land Use Code does not correctly describe the intended or current use of the Taxable Parcel, the Administrator may assign a Land Use Classification to the Taxable Parcel described in Section C below.

**"Special Tax"** means any tax levied within CFD No. 2015-2 to pay the Special Tax Requirement, and includes each Special Tax Component.

**"Special Tax Component"** means one of the following components of the Special Tax: Community Park Maintenance Tax, Street Lighting Maintenance Tax, Neighborhood Parks and Landscape Maintenance Tax, or Stormwater Maintenance Tax.

**"Special Tax Requirement"** means, for each Special Tax Component, the amount of revenue needed in any Fiscal Year to pay for the following: (i) Authorized Services related to the Special Tax Component; (ii) Administrative Expenses attributable to the Special Tax Component; and (iii) amounts needed to cover any delinquencies in the payment of the Special Tax Component which occurred in the previous Fiscal Year or, based on delinquency rates in prior years, may be expected to occur in the Fiscal Year in which the Special Tax will be collected.

**“Taxable Property” or “Taxable Parcels”** means all Assessors’ Parcels within the boundaries of CFD No. 2015-2 that are not exempt from the Special Tax pursuant to law or Section E herein.

**“Tax Zone”** means a mutually exclusive geographic area within which the Special Tax may be levied pursuant to this RMA. All of the property within CFD No. 2015-2 at the time of CFD Formation is within Tax Zone 1. Additional Tax Zones may be created when property is annexed to CFD No. 2015-2, and a separate Maximum Special Tax shall be identified for property within the new Tax Zone at the time of such annexation. The Assessor’s Parcels included within a new Tax Zone established when such Parcels are annexed to CFD No. 2015-2 shall be identified by Assessor’s Parcel Number in the Unanimous Approval Form that is signed by the owner(s) of the Parcels at the time of annexation.

**“Unanimous Approval Form”** means that form executed by the record owner of fee title to a Parcel or Parcels annexed into CFD No. 2015-2 that constitutes the property owner’s approval and unanimous vote in favor of annexing into CFD No. 2015-2, the levy of the Special Tax against his/her Parcel or Parcels pursuant to this RMA.

**“Undeveloped Property”** means, in any Fiscal Year, all Parcels of Taxable Property in CFD No. 2015-2 that are not classified as Developed Property.

## **B. DATA FOR ANNUAL TAX LEVY**

Each Fiscal Year, the Administrator shall identify the current Assessor’s Parcel Numbers for all Parcels of Taxable Property within CFD No. 2015-2. The Administrator shall also determine: (i) whether each Assessor’s Parcel of Taxable Property is Developed Property or Undeveloped Property, and (ii) the Special Tax Requirement for each Special Tax Component for the then-current Fiscal Year. Each Special Tax Component shall be levied only to pay for the related Special Tax Requirement.

In any Fiscal Year, if it is determined that (i) a Final Map or Parcel Map for a portion of property in CFD No. 2015-2 was recorded after the last date upon which the County Assessor will incorporate the newly-created Parcels into the then current tax roll, (ii) because of the date the Final Map or Parcel Map was recorded, the County Assessor does not yet recognize the new Parcels that will be created by the Final Map or Parcel Map, and (iii) one or more of the newly-created Parcels would meet the definition of Developed Property, the Administrator shall calculate the Special Tax for the property affected by recordation of the Final Map or Parcel Map by determining the Special Tax that applies separately to each new Parcel that will be created by that Final Map or Parcel Map, then applying the sum of the individual Special Taxes to the Parcel that was subdivided by recordation of the Final Map or Parcel Map.

**C. MAXIMUM SPECIAL TAXES**

**1. Developed Property** - The Fiscal Year 2015-16 Maximum Special Tax for each Special Tax Component for all Parcels of Developed Property shall be as shown in Table 1 below:

Table 1: Developed Property			
Special Tax Component	Land Use Classification	FY 2015-16 Maximum Tax	
Regional Park Maintenance Tax	Single-Family Parcel	\$123.60	per Parcel
Regional Park Maintenance Tax	Condominium Parcel	\$92.70	per Parcel
Regional Park Maintenance Tax	Multi-Family Parcel	\$61.80	per Unit
Regional Park Maintenance Tax	Non-Residential Parcel	\$370.80	per Acre
Community Parks Maintenance Tax	Single-Family Parcel	\$272.95	per Parcel
Community Parks Maintenance Tax	Condominium Parcel	\$204.71	per Parcel
Community Parks Maintenance Tax	Multi-Family Parcel	\$136.48	per Unit
Community Parks Maintenance Tax	Non-Residential Parcel	\$818.85	per Acre
Street Lighting Maintenance Tax	Single-Family Parcel	\$53.89	per Parcel
Street Lighting Maintenance Tax	Condominium Parcel	\$40.42	per Parcel
Street Lighting Maintenance Tax	Multi-Family Parcel	\$26.95	per Unit
Street Lighting Maintenance Tax	Non-Residential Parcel	\$161.67	per Acre
Neighborhood Parks & Landscape Maintenance Tax	Single-Family Parcel	\$419.64	per Parcel
Neighborhood Parks & Landscape Maintenance Tax	Condominium Parcel	\$314.73	per Parcel
Neighborhood Parks & Landscape Maintenance Tax	Multi-Family Parcel	\$209.82	per Unit
Neighborhood Parks & Landscape Maintenance Tax	Non-Residential-In Compliance Parcel	\$0.00	per Acre
Neighborhood Parks & Landscape Maintenance Tax	Non-Residential-Out of Compliance Parcel	\$1,258.92	per Acre
Stormwater Maintenance Tax	Single-Family Parcel	\$521.87	per Parcel
Stormwater Maintenance Tax	Condominium Parcel	\$391.40	per Parcel
Stormwater Maintenance Tax	Multi-Family Parcel	\$260.94	per Unit
Stormwater Maintenance Tax	Non-Residential Parcel	\$1,565.61	per Acre

Mixed Use Parcels will have their Maximum Tax calculated each Fiscal Year based upon their combined uses on the Parcel. For example if a one acre parcel has commercial on the ground floor and 50 condominiums on the second floor the property owner will be charged the Non-Residential Parcel rate for one acre and the Condominium Parcel Rate for the 50 condominiums.

**2. Undeveloped Property - The Fiscal Year 2015-16 Maximum Special Tax for each Special Tax Component for all Parcels of Undeveloped Property shall be as shown in Table 2 below:**

<b>Table 2: Undeveloped Property</b>			
<b>Special Tax Component</b>	<b>Land Use Classification</b>	<b>FY 2015-16 Maximum Tax</b>	
Regional Park Maintenance Tax	Single-Family Parcel	\$370.80	per Acre
Regional Park Maintenance Tax	Condominium Parcel	\$278.10	per Acre
Regional Park Maintenance Tax	Multi-Family Parcel	\$185.40	per Acre
Regional Park Maintenance Tax	Non-Residential Parcel	\$185.40	per Acre
Community Parks Maintenance Tax	Single-Family Parcel	\$818.85	per Acre
Community Parks Maintenance Tax	Condominium Parcel	\$614.14	per Acre
Community Parks Maintenance Tax	Multi-Family Parcel	\$409.43	per Acre
Community Parks Maintenance Tax	Non-Residential Parcel	\$409.43	per Acre
Street Lighting Maintenance Tax	Single-Family Parcel	\$161.67	per Acre
Street Lighting Maintenance Tax	Condominium Parcel	\$121.25	per Acre
Street Lighting Maintenance Tax	Multi-Family Parcel	\$80.84	per Acre
Street Lighting Maintenance Tax	Non-Residential Parcel	\$80.84	per Acre
Neighborhood Parks & Landscape Maintenance Tax	Single-Family Parcel	\$1,258.92	per Acre
Neighborhood Parks & Landscape Maintenance Tax	Condominium Parcel	\$944.19	per Acre
Neighborhood Parks & Landscape Maintenance Tax	Multi-Family Parcel	\$629.46	per Acre
Neighborhood Parks & Landscape Maintenance Tax	Non-Residential-In Compliance Parcel	\$0.00	per Acre
Neighborhood Parks & Landscape Maintenance Tax	Non-Residential-Out of Compliance Parcel	\$629.46	per Acre
Stormwater Maintenance Tax	Single-Family Parcel	\$1,565.61	per Acre
Stormwater Maintenance Tax	Condominium Parcel	\$1,174.21	per Acre
Stormwater Maintenance Tax	Multi-Family Parcel	\$782.81	per Acre
Stormwater Maintenance Tax	Non-Residential Parcel	\$782.81	per Acre

**3. Escalation of Maximum Special Tax**

On July 1, 2015, and each July 1 thereafter, the Maximum Special Tax for each Special Tax Component for the current Fiscal Year for Developed Property and Undeveloped Property shall be increased from the Maximum Special Tax for the respective Special Tax Component for the previous Fiscal Year by Consumer Price Index – All Urban Consumers (San Francisco-Oakland-San Jose, CA) (from February) with a minimum annual increase of three (3.00%) percent and a maximum annual increase of five (5.00%) percent for any given year.

**D. METHOD OF LEVY AND COLLECTION OF SPECIAL TAXES**

Each Fiscal Year, the Administrator shall determine the Special Tax Requirement for each Special Tax Component for that Fiscal Year and levy each Special Tax Component on all Parcels of Taxable Property as follows:

**Step 1:** Each Special Tax Component shall be levied Proportionately on each Parcel of Developed Property up to 100% of the Maximum Special Tax for each Parcel of Developed Property for such Fiscal Year until the amount levied is equal to the Special Tax Requirement for such Special Tax Component;

**Step 2:** If additional revenue is needed after Step 1, each Special Tax Component shall be levied Proportionately on each Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for each Parcel of Undeveloped Property for such Fiscal Year until the amount levied, when combined with the amount of the Special Tax Component levied pursuant to Step 1, is equal to the Special Tax Requirement for such Special Tax Component.

The Special Tax for CFD No. 2015-2 shall be collected at the same time and in the same manner as ordinary ad valorem property taxes provided, however, that the City may (under the authority of Government Code Section 53340) collect Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of CFD No. 2015-2, and the Special Tax shall be subject to foreclosure if delinquent regardless of the manner in which it was collected.

**E. EXEMPTIONS**

No Special Tax shall be levied on Parcels of Public Property or any privately owned Parcels that are non-developable, such as common areas, wetlands, and open space, parks, etc. except as otherwise provided in this RMA and in the Act.

**F. 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 Special Taxes. 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 through a resolution of the Council for purposes of clarifying any vagueness or ambiguity in this RMA.

**G. TERM OF THE SPECIAL TAX**

The Special Tax shall be levied in perpetuity as necessary to pay the Special Tax Requirement.

#### **H. REPEAL OF THE SPECIAL TAX**

CFD No. 2015-2 was established to levy the Special Tax to finance the Authorized Services as a condition of the entitlement to develop the Developed Property in CFD No. 2015-2. If the levy of the Special Tax is repealed by initiative or any other action participated in by the owners of Parcels in CFD No. 2015-2, the City shall cease to levy the Special Tax and shall cease to be obligated to provide the Authorized Services for which the Special Tax was levied.

#### **I. SEVERABILITY**

The invalidity or unenforceability of any provisions of this Rate and Method of Apportionment of Special Tax shall not affect the validity or enforceability of any other provision of this Rate and Method of Apportionment of Special Tax, which shall remain in full force and effect.

RESOLUTION NO. \_\_\_\_\_

RESOLUTION CALLING SPECIAL LANDOWNER ELECTION  
FOR COMMUNITY FACILITIES DISTRICT

CITY OF OAKLEY  
Community Facilities District No. 2015-2  
(Parks, Street Light, Landscape and Stormwater Services)

**RESOLVED** by the City Council (the "Council") of the City of Oakley (the "City"), County of Contra Costa, State of California, that:

**WHEREAS**, this Council has adopted a resolution entitled "Resolution of Formation of Community Facilities District" (the "Resolution of Formation"), ordering the formation of the (i) the "City of Oakley Community Facilities District No. 2015-2 (Parks, Street Light, Landscape and Stormwater Services)" (the "CFD") and (ii) the "City of Oakley Community Facilities District No. 2015-2 (Parks, Street Light, Landscape and Stormwater Services) (Future Annexation Area)," defining the public services (the "Services") to be provided by the CFD, authorizing the levy of a special tax on property within the CFD and preliminarily establishing an appropriations limit for the CFD, all 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

**WHEREAS**, pursuant to the Resolution of Formation, the propositions of the levy of the special tax and the establishment of the appropriations limit shall be submitted to the qualified electors of the CFD as required by the Act.

**NOW THEREFORE, BE IT RESOLVED AND ORDERED**, as follows:

**1. Issues Submitted.** Pursuant to the Act, the issues of the levy of the special tax and the establishment of the appropriations limit shall be submitted to the qualified electors (as defined below) of the CFD at an election called therefor as provided below.

**2. Qualified Electors.** This Council hereby finds that fewer than 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 hearings 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 these proceedings, the qualified electors are the landowners within the CFD and that the vote shall be by such landowners or their authorized representatives, each having one vote for each acre or portion thereof such landowner owns in the CFD as of the close of the public hearing.

**3. Conduct of Election.** This Council hereby calls a special election to consider the issues described in section 1 above, which shall be held on January 12,

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2016, and the results thereof canvassed at the meeting of this Council on January 12, 2016. The City Clerk is hereby designated as the official to conduct the election and to receive all ballots until the close of business on the election date. It is hereby acknowledged that the Clerk has on file the Resolution of Formation, a map of the boundaries of the CFD, and a sufficient description to allow the Clerk to determine the electors of the CFD. Pursuant to Section 53327 of the Act, the election shall be conducted by messenger or mail-delivered ballot pursuant to Section 4000 of the California Elections Code, except that Sections 53326 and 53327 of the Act shall govern for purposes of determining the date of the election.

**4. Ballot.** As authorized by Section 53353.5 of the Act, the issues described in section 1 above shall be combined into a single ballot measure, the form of which as attached hereto as Exhibit "A" is hereby approved. The City Clerk is hereby authorized and directed to cause a ballot, in substantially the form of Exhibit "A," to be delivered to each of the qualified electors of the CFD. Each ballot shall indicate the number of votes to be voted by the respective landowner to which the ballot pertains. Each ballot shall be accompanied by all supplies and written instructions necessary for the use and return of the ballot. The envelope to be used to return the ballot shall be enclosed with the ballot, have the return postage prepaid, and contain the following: (a) the name and address of the landowner, (b) a declaration, under penalty of perjury, stating that the voter is the owner of record or authorized representative of the landowner entitled to vote and is the person whose name appears on the envelope, (c) the printed name, signature and address of the voter, (d) the date of signing and place of execution of the declaration pursuant to clause (b) above, and (e) a notice that the envelope contains an official ballot.

**5. Waivers.** This Council hereby further finds that the provisions of Section 53326 of the Act requiring a minimum of 90 days following the adoption of the Resolution of Formation to elapse before the special election are for the protection of the qualified electors of the CFD. There is on file with the Clerk a written waiver executed by all of the qualified electors of the CFD allowing for a shortening of the time for the special election to expedite the process of formation of the CFD and waiving any requirement for notice, analysis and arguments in connection with the election. Accordingly, this Council finds and determines that the qualified electors have been fully apprised of and have agreed to the shortened time for the election and waiver of analysis and arguments, and have thereby been fully protected in these proceedings. This Council also finds and determines that the City Clerk has concurred in the shortened time for the election. Analysis and arguments with respect to the ballot measures are hereby waived, as provided in Section 53327 of the Act.

**6. Accountability.** Under Section 50075.1 of the Government Code, the following accountability provisions shall apply to the special taxes: (a) the provision of the Services and the incidental costs thereof, all as defined in the Resolution of Formation, shall constitute the specific single purpose; (b) the proceeds shall be applied only to the specific purposes identified in (a) above; (c) there shall be created special account(s) or funds(s) into which the proceeds shall be deposited; and (d) there shall be



caused to be prepared an annual report if required by Section 50075.3 of the Government Code.

**7. Effective Date.** This Resolution shall take effect upon its adoption.

**PASSED AND ADOPTED** by the City Council of the City of Oakley at a meeting held on the 12<sup>th</sup> of January, 2016 by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTENTIONS:

APPROVED:

ATTEST:

\_\_\_\_\_  
Kevin Romick, Mayor

\_\_\_\_\_  
Libby Vreonis, City Clerk

\_\_\_\_\_  
Date

**EXHIBIT A**

**CITY OF OAKLEY  
Community Facilities District No. 2015-2  
(Parks, Street Light, Landscape and Stormwater Services)**

**OFFICIAL BALLOT  
SPECIAL TAX ELECTION**

This ballot is for a special, landowner election. You must return this ballot in the enclosed postage paid envelope to the office of the City Clerk of the City of Oakley no later than the hour of 6:30 p.m. on Tuesday, January 12, 2016, either by mail or in person. The City Clerk's office is located at 3231 Main Street, Oakley, California.

To vote, mark a cross (X) on the voting line after the word "YES" or after the word "NO". All marks otherwise made are forbidden. All distinguishing marks are forbidden and make the ballot void.

If you wrongly mark, tear, or deface this ballot, return it to the City Clerk of the City of Oakley and obtain another.

**BALLOT MEASURE:** Shall the City of Oakley be authorized to annually levy a special tax solely on lands within the City of Oakley Community Facilities District No. 2015-2 (Parks, Street Light, Landscape and Stormwater Services) (the "CFD") in accordance with the rate and method contained in the Resolution of Formation of the CFD adopted by the City Council of the City on January 12, 2016, commencing in the City's fiscal year 2016-17, to pay for the municipal services for the CFD and to pay the costs of the City in administering the CFD, and shall the annual appropriations limit of the CFD be established in the amount of \$1,000,000?

**YES:** \_\_\_\_\_

**NO:** \_\_\_\_\_

By execution in the space provided below, you also confirm your written waiver of the time limit pertaining to the conduct of the election and any requirement for analysis and arguments with respect to the ballot measure.

Number of acres: 6.88  
Number of Votes: 7  
Property Owner: Prescott Parc, LLC

\_\_\_\_\_  
Authorized Representative

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION DECLARING RESULTS OF SPECIAL LANDOWNER ELECTION AND  
DIRECTING RECORDING OF NOTICE OF SPECIAL TAX LIEN**

**CITY OF OAKLEY  
Community Facilities District No. 2015-2  
(Parks, Street Light, Landscape and Stormwater Services)**

**RESOLVED** by the City Council (the "Council") of the City of Oakley (the "City"), County of Contra Costa, State of California, that:

**WHEREAS**, this Council has adopted a resolution entitled "Resolution of Formation of Community Facilities District" (the "Resolution of Formation"), ordering the formation of the (i) the "City of Oakley Community Facilities District No. 2015-2 (Parks, Street Light, Landscape and Stormwater Services)" (the "CFD") and (ii) the "City of Oakley Community Facilities District No. 2015-2 (Parks, Street Light, Landscape and Stormwater Services) (Future Annexation Area)," authorizing the levy of a special tax on property within the CFD, and preliminarily establishing an appropriations limit for the CFD, all 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").

**WHEREAS**, under the Resolution of Formation and a resolution entitled "Resolution Calling Special Landowner Election for Community Facilities District" (the "Election Resolution") heretofore adopted by this Council, the propositions of the levy of the special tax and the establishment of the appropriations limit were submitted to the qualified electors of the CFD as required by the provisions of the Act.

**WHEREAS**, pursuant to the Election Resolution, which are by this reference incorporated herein, the special election has been held and the City Clerk has on file a Canvass and Statement of Results of Election, (the "Canvass") a copy of which is attached hereto as Exhibit A; and

**WHEREAS**, this Council has been informed of the Canvass, finds it appropriate and wishes to complete its proceedings for the CFD.

**NOW, THEREFORE, BE IT RESOLVED AND ORDERED**, as follows:

- 1. Recitals.** The foregoing recitals are all true and correct.
- 2. Issues Presented.** The issues presented at the special election were the levy of a special tax within the CFD and the approval of an annual appropriations limit of not to exceed \$1,000,000, all pursuant to the Resolution of Formation.

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**3. Canvass and Issues Approved.** The Council hereby approves the Canvass and finds that it shall be a permanent part of the record of its proceedings for the CFD. Pursuant to the Canvass, the issues presented at the special election were approved by the qualified electors of the CFD by more than two-thirds of the votes cast at the special election.

**4. Proceedings Approved.** Pursuant to the voter approval, the CFD is hereby declared to be fully formed with the authority to levy the special taxes and to have the established appropriations limit, all as heretofore provided in these proceedings and in the Act. It is hereby found that all prior proceedings and actions taken by this Council with respect to the CFD were valid and in conformity with the Act.

**5. Notice of Tax Lien.** The City Clerk is hereby directed to complete, execute and cause to be recorded in the office of the County Recorder of the County of Contra Costa a notice of special tax lien in the form required by the Act, such recording to occur no later than 15 days following adoption of this resolution by the Council

**6. Effective Date.** This Resolution shall take effect upon its adoption.

\*\*\*\*\*

**PASSED AND ADOPTED** by the City Council of the City of Oakley at a meeting held on the 12<sup>th</sup> of January, 2016 by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTENTIONS:

APPROVED:

ATTEST:

\_\_\_\_\_  
Kevin Romick, Mayor

\_\_\_\_\_  
Libby Vreonis, City Clerk

\_\_\_\_\_  
Date

EXHIBIT A

CANVASS AND STATEMENT OF RESULT OF ELECTION

CITY OF OAKLEY  
Community Facilities District No. 2015-2  
(Parks, Street Light, Landscape and Stormwater Services)

I hereby certify that on January 12, 2016, I canvassed the returns of the election held on January 12, 2016, in the City of Oakley Community Facilities District No. 2015-2 (Parks, Street Light, Landscape and Stormwater Services) and the total number of ballots cast in such District and the total number of votes cast for and against the measure are as follows and the totals as shown for and against the measure are full, true and correct:

	<u>Qualified Landowner Votes</u>	<u>Votes Cast</u>	<u>YES</u>	<u>NO</u>
City of Oakley Community Facilities District No. 2015-2 (Parks, Street Light, Landscape and Stormwater Services) Special Tax Election, January 12, 2016	7	_____	_____	_____

**BALLOT MEASURE:** Shall the City of Oakley be authorized to annually levy a special tax solely on lands within the City of Oakley Community Facilities District No. 2015-2 (Parks, Street Light, Landscape and Stormwater Services) (the "CFD") in accordance with the rate and method contained in the Resolution of Formation of the CFD adopted by the City Council of the City on January 12, 2016, commencing in the City's fiscal year 2016-17, to pay for the municipal services for the CFD and to pay the costs of the City in administering the CFD, and shall the annual appropriations limit of the CFD be established in the amount of \$1,000,000?

YES: \_\_\_\_\_

NO: \_\_\_\_\_

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND on January 12, 2016.

By: \_\_\_\_\_  
City Clerk  
City of Oakley

ORDINANCE NO. \_\_\_\_\_

**ORDINANCE LEVYING SPECIAL TAX**

**CITY OF OAKLEY  
Community Facilities District No. 2015-2  
(Parks, Street Light, Landscape and Stormwater Services)**

**SECTION 1. FINDINGS**

A. The City Council (this "Council") of the City of Oakley (the "City") has adopted a resolution entitled "Amended and Restated Resolution of Intention to Establish Community Facilities District" (the "Resolution of Intention"), and has conducted proceedings (the "Proceedings") to establish (i) the "City of Oakley Community Facilities District No. 2015-2 (Parks, Street Light, Landscape and Stormwater Services)" (the "CFD") and (ii) the "City of Oakley Community Facilities District No. 2015-2 (Parks, Street Light, Landscape and Stormwater Services) (Future Annexation Area)" (the "Future Annexation Area") pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with Section 53311, of the California Government Code (the "Act") to fund certain municipal services (the "Services") as provided in the Act.

B. Pursuant to notice as specified in the Act, and as part of the Proceedings, the Council has held a public hearing under the Act relative to the determination to proceed with the formation of the CFD and the Future Annexation Area and the rate and method of apportionment of the special tax ("Special Tax") to be levied within the CFD to finance the Services, and at such hearing all persons desiring to be heard on all matters pertaining to the formation of the CFD and the Future Annexation Area and the levy of the Special Tax were heard, substantial evidence was presented and considered by this Council and a full and fair hearing was held.

C. Upon the conclusion of the hearing, this Council adopted a resolution entitled "A Resolution of Formation of Community Facilities District" (the "Resolution of Formation"), pursuant to which it completed the Proceedings for the establishment of the CFD and the Future Annexation Area, the authorization of the levy of the Special Tax within the CFD and the calling of an election within the CFD on the propositions of levying the Special Tax and establishing an appropriations limit within the CFD, respectively.

D. On January 12, 2016, a special election was held among the landowner voters within the CFD at which such voters approved such propositions by the two-thirds vote required by the Act, which has been confirmed by resolution of this Council.

**SECTION 2.** By the passage of this Ordinance, the Council hereby authorizes and levies the Special Tax within the CFD (including any parcel or parcels in the Future Annexation Area that annex into the CFD) pursuant to the Act, at the rate and in accordance with the rate and method of apportionment of Special Tax set forth in the Resolution of Formation which rate and method is by this reference incorporated herein. The Special Tax is hereby levied commencing in fiscal year 2016-17 and in each fiscal year thereafter to pay for the Services for the CFD, as contemplated by the Resolution of Formation and the Proceedings and all costs of administering the CFD.

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SECTION 3. The Finance Director or designee, or an employee or consultant of the City, is hereby authorized and directed each fiscal year to determine the specific Special Tax to be levied for the next ensuing fiscal year for each parcel of real property within the CFD (including any parcel or parcels in the Future Annexation Area that annex into the CFD), in the manner and as provided in the Resolution of Formation.

SECTION 4. Exemptions from the levy of the Special Tax shall be as provided in the Resolution of Formation and the applicable provisions of the Act. In no event shall the Special Tax be levied on any parcel within the CFD in excess of the maximum Special Tax specified in the Resolution of Formation.

SECTION 5. All of the collections of the Special Tax shall be used as provided in the Act and in the Resolution of Formation, including, but not limited to, the payment of costs of the Services, the payment of the costs of the City in administering the CFD, and the costs of collecting and administering the Special Tax.

SECTION 6. The Special Tax shall be collected in the same manner as ordinary ad valorem taxes are collected and 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; provided, however, that the Council may provide for other appropriate methods of collection by resolution(s) of the Council. In addition, the provisions of Section 53356.1 of the Act shall apply to delinquent Special Tax payments. The Finance Director of the City is hereby authorized and directed to provide all necessary information to the auditor/tax collector of the County of Contra Costa in order to effect proper billing and collection of the Special Tax, so that the Special Tax shall be included on the secured property tax roll of the County of Contra Costa for fiscal year 2016-17 and for each fiscal year thereafter until no longer required to pay for the Services or until otherwise terminated by the City.

SECTION 7. If for any reason any portion of this ordinance is found to be invalid, or if the Special Tax is found inapplicable to any particular parcel within the CFD, by a court of competent jurisdiction, the balance of this ordinance and the application of the Special Tax to the remaining parcels within the CFD shall not be affected.

SECTION 8. The Mayor shall sign this Ordinance and the City Clerk shall cause the same to be published immediately after its passage at least once in a newspaper of general circulation circulated in the City.

SECTION 9. This Ordinance shall take effect 30 days from the date of final passage.



The foregoing Ordinance was adopted at a regular meeting of the City Council of the City of Oakley held on the 26th day of January, 2016, by Councilmember \_\_\_\_\_ who moved its adoption and passage, which motion being duly seconded by Councilmember \_\_\_\_\_ was upon voice vote carried and ordered posted by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

**APPROVED:**

\_\_\_\_\_  
Kevin Romick, Mayor

**ATTEST:**

\_\_\_\_\_  
Libby Vreonis, City Clerk