

RESOLUTION NO. 2016-25

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEWMAN,
CALIFORNIA, DECLARING ITS INTENTION TO ESTABLISH A COMMUNITY
FACILITIES DISTRICT AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES**

**CITY OF NEWMAN COMMUNITY FACILITIES DISTRICT NO. 2016-1
(COMMUNITY POOL)**

WHEREAS, under the Mello-Roos Community Facilities Act of 1982 (Sections 53311 and following, California Government Code; hereafter referred to as the "Act"), the City Council of the City of Newman (the "City") may commence proceedings for the establishment of a community facilities district, and

WHEREAS, the City Council of the City (the "City Council") desires to commence proceedings to establish Community Facilities District No. 2016-1 (Community Pool) (the "District") as described herein, to finance the cost of construction of a community pool complex, maintenance thereof, and related services and appurtenances.

WHEREAS, under the Act, this City Council is the legislative body for the proposed District and is empowered with the authority to undertake proceedings to establish the District and consider the levy special taxes within the District; and

WHEREAS, this City Council now desires to proceed with the actions necessary to consider commencement of the establishment of the District.

NOW, THEREFORE, the City Council of the City of Newman, DOES HEREBY RESOLVE as follows:

1. This City Council proposes to begin the proceedings necessary to establish the District pursuant to the Act.
2. The name of the proposed District is City of Newman, Community Facilities District No. 2016-1 (Community Pool).
3. The boundaries of the territory proposed for inclusion in the District are as shown on the map of the District on file with the City Clerk, a copy of which is attached hereto as Exhibit A, which Exhibit shows the proposed community facilities district and is by this reference incorporated herein. The proposed boundaries are hereby preliminarily approved. The Council hereby directs the City Clerk to certify the adoption of this resolution on the face of the map, and to file a copy of the map in the office of the City Clerk in accordance with Section 3111 of the California Streets and Highways Code and within 15 days of the date of adoption of this resolution but in no event later than 15 days prior to the public hearing provided for herein, transmit the map to the County Recorder for recording in the Book of Maps of Assessment and Community Facilities Districts in the office of the County Recorder of the County of Stanislaus.
4. The type of facilities and services proposed to be financed by the District and pursuant to the Act shall consist of those facilities and services described in Exhibit B hereto, which Exhibit is by this reference incorporated herein (the "Facilities and Services"). The Facilities portion of the Facilities and Services is proposed to be financed by a loan to be repaid with interest over a period not to exceed 30 years and payable in whole or in part from the special taxes, presently expected to be made by the County of Stanislaus, however the lender and financing terms are uncertain at this time and subject to change.

5. Except where funds are otherwise available, a special tax sufficient to pay for all Facilities and Services, secured by recordation of a continuing lien against all non-exempt real property in the District, will be levied annually within the District and collected in the same manner as ordinary ad valorem property taxes or in such other manner as this City Council or its designee shall determine, including direct billing of the affected property owners. The proposed rate and method of apportionment of the special tax among the parcels of real property within the District, in sufficient detail to allow each landowner within the proposed District to estimate the maximum amount such owner will have to pay and the term of the levy of such amount, are described in Exhibit C attached hereto, which Exhibit is by this reference incorporated herein. Under no circumstances will the special tax levied in any fiscal year against any parcel used for private residential purposes be increased as a consequence of delinquency or default by the owner or owners of any other parcel or parcels within the District by more than 10 percent above the amount that would have been levied in that fiscal year had there never been any such delinquencies or defaults.

6. This City Council finds that the provisions of Section 53313.6, 53313.7 and 53313.9 of the Act (relating to adjustments to ad valorem property taxes and schools financed by a community facilities district) are inapplicable to the District.

7. The levy of said proposed special tax shall be subject to the approval of the qualified electors of the District at a General Election. The proposed voting procedure shall be conducted by the Stanislaus County Registrar of Voters and shall be placed on a ballot to be voted on by the registered voters in the proposed District, with each voter having one vote.

8. Except as may otherwise be provided by law or the rate and method of apportionment of the special tax for the District, all lands owned by any public entity, including the United States, the State of California and/or the City, or any departments or political subdivisions of any thereof, shall be omitted from the levy of the special tax.

9. The Finance Director of the City is hereby directed to study the proposed Facilities and Services and to make, or cause to be made, and file with the City Clerk a report in writing, presenting the following:

- (a) A brief description of the Facilities and Services.
- (b) An estimate of the fair and reasonable initial annual cost of providing the Facilities and Services, including the incidental expenses in connection therewith, any required debt service payments, City administration costs and all other related costs.

Said report shall be made a part of the record of the public hearing provided for below.

10. Tuesday, June 14, 2016, at 7:00 p.m. or as soon thereafter as the matter may be heard, in the regular meeting place of this City Council at 938 Fresno Street, Newman, California, and the same are hereby appointed and fixed as the time and place when and where this City Council, as legislative body for the District, will conduct a public hearing on the establishment of the District and consider and finally determine whether the public interest, convenience and necessity require the formation of the District and the levy of said special tax.

11. The City Clerk is hereby directed to cause notice of said public hearing to be given by publication one time in a newspaper published in the area of the District. The publication of said notice shall be completed at least seven days before the date herein set for said hearing. The notice shall be substantially in the form of Exhibit D hereto.

12. This Resolution shall take effect upon its adoption.

The foregoing resolution was introduced at a regular meeting of the City Council of the City of Newman held on the 26th day of April, 2016 by Council Member Graham, who moved its adoption, which motion was duly seconded and was adopted upon roll call vote.

AYES: Graham, Day and Mayor Martina.

NOES: None.

ABSENT: Davis and Candea.

ABSTAIN: None.

APPROVED:



Bob Martina
Mayor

ATTEST:



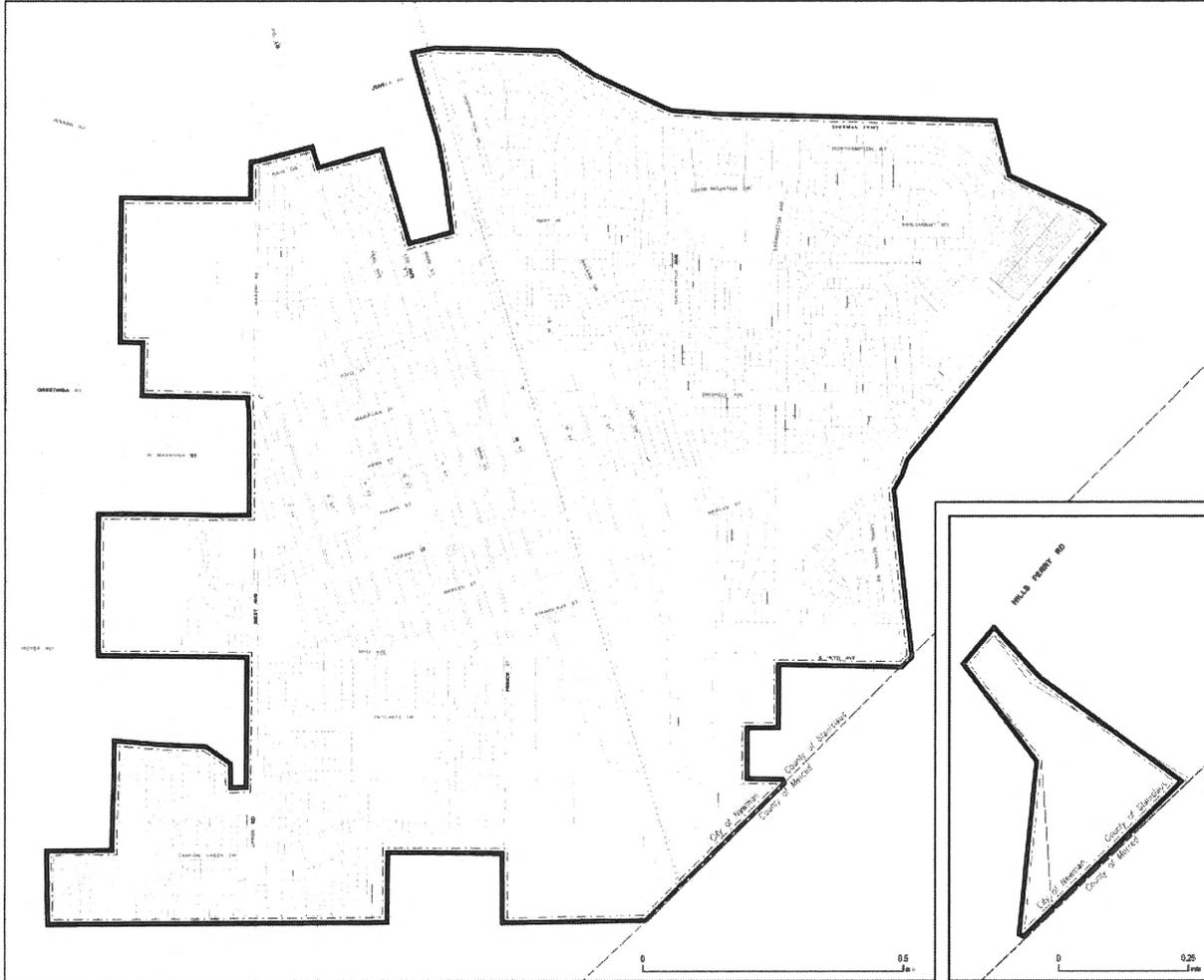
Mike Maier
City Clerk

EXHIBIT A

CITY OF NEWMAN
COMMUNITY FACILITIES DISTRICT NO. 2016-1
(COMMUNITY POOL)

PROPOSED BOUNDARIES OF THE DISTRICT

**PROPOSED BOUNDARIES OF
CITY OF NEWMAN
COMMUNITY FACILITIES DISTRICT NO. 2016-1 (COMMUNITY POOL)**
CITY OF NEWMAN
COUNTY OF STANISLAUS
STATE OF CALIFORNIA



FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF NEWMAN THIS ____ DAY OF ____ 2016.

CITY CLERK
CITY OF NEWMAN
STANISLAUS COUNTY, CALIFORNIA

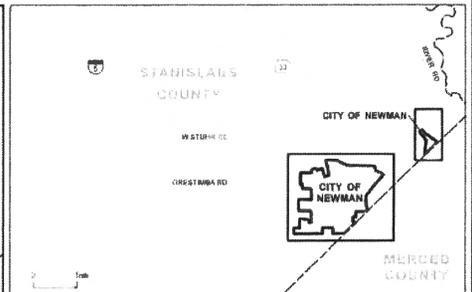
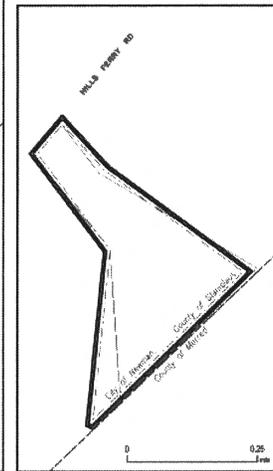
I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING THE PROPOSED BOUNDARIES OF CITY OF NEWMAN COMMUNITY FACILITIES DISTRICT NO. 2016-1 (COMMUNITY POOL) CITY OF NEWMAN, COUNTY OF STANISLAUS STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF NEWMAN, AT A REGULAR MEETING THEREOF, HELD ON THE ____ DAY OF ____ 2016, BY ITS RESOLUTION NO. _____

CITY CLERK
CITY OF NEWMAN
STANISLAUS COUNTY, CALIFORNIA

FILED THIS ____ DAY OF ____ 2016, AT THE HOUR OF ____ O'CLOCK ____ M. IN BOOK ____ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE ____ IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF STANISLAUS, STATE OF CALIFORNIA.

COUNTY RECORDER
COUNTY OF STANISLAUS, CALIFORNIA

FOR PARTICULARS OF THE LINES AND DIMENSIONS OF ASSESSOR PARCELS, REFERENCE IS MADE TO THE MAPS OF THE ASSESSOR, COUNTY OF STANISLAUS, STATE OF CALIFORNIA.



-  District Boundary
-  District Parcel
-  City Boundary

Data Source
Stanislaus County GIS
Projection
NAD 1983 StatePlane California III
FIPS 0403 Feet
Geographic Coordinate System
GCS North American 1983



EXHIBIT B

CITY OF NEWMAN COMMUNITY FACILITIES DISTRICT NO. 2016-1 (COMMUNITY POOL)

DESCRIPTION OF FACILITIES AND SERVICES TO BE FINANCED BY THE DISTRICT

The District is authorized to fund all or a portion of the cost of construction, acquisition and financing of a public aquatic facility project within the City, including but not limited to a swimming pool or pools and related equipment, changing rooms, rest rooms, bathhouse, splash pad, equipment building, and any and all on-site improvements and facilities related to the use and operation of the project.

The District is also authorized to fund all or any portion of the cost of maintenance services and operation of the facilities and project described in the preceding paragraph, including but not limited to maintaining equipment, apparatuses, facilities and fixtures in in and around the facilities or used to maintain the facilities; paying the salaries and benefits of personnel necessary or convenient to provide project services; reimbursements to the City for the cost of plans, specifications, approvals and/or work conducted prior to District formation; payment of insurance costs and other related expenses; and the provision of reserves for repairs, replacements, and for the future provision of maintenance services, whether provided by the City's own employees or by contract with third parties, or any combination thereof. The District is further authorized to fund administrative fees of the City related to the District and any debt service payments associated with the issuance of debt used to finance the facilities and services referenced herein.

EXHIBIT C

CITY OF NEWMAN
COMMUNITY FACILITIES DISTRICT NO. 2016-1
(COMMUNITY POOL)

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

**RATE AND METHOD OF APPORTIONMENT
FOR CITY OF NEWMAN
COMMUNITY FACILITIES DISTRICT NO. 2016-1
(COMMUNITY POOL)**

A Special Tax as hereinafter defined shall be levied on each Assessor's Parcel of Taxable Property within the City of Newman Community Facilities District No. 2016-1 (Community Pool) ("CFD No. 2016-1") and collected each Fiscal Year commencing in Fiscal Year 2017-2018 in an amount determined by the City Council through the application of the appropriate Special Tax for Taxable Property as described below. All of the real property in CFD No. 2016-1, unless exempted by law or by the provisions hereof, shall be taxed for purposes of CFD No. 2016-1, to the extent and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meaning:

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

"Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of CFD No. 2016-1 including, but not limited to, the following: the costs of computing the Special Tax and preparing the annual Special Tax collection schedules (whether by the City, the CFD Administrator, or both); the costs of collecting the Special Taxes (whether by the County, the City, or otherwise); the costs to the City, CFD No. 2016-1, or any designee thereof of complying with disclosure requirements; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; and the costs of the City, CFD No. 2016-1, or any designee thereof related to any appeal of the levy or application of the Special Tax. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 2016-1 for any other administrative purposes, including, but not limited to, attorney's fees.

"Agricultural Property" means all Assessor's Parcels of property used for farming or agricultural purposes.

"Assessor's 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 Stanislaus County Assessor of the County designating parcels by an Assessor's parcel number.

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

"CFD No. 2016-1" or **"CFD"** means the City of Newman Community Facilities District No. 2016-1 (Community Pool).

"CFD No. 2016-1 Debt Service" means the repayment of debt associated with the issuance of any bonds, loan agreement or other debt (as defined in Section 53317(d) of the Act), whether in one or more series, issued by the City for CFD No. 2016-1 under the Act.

"City" means the City of Newman.

"City Council" means the City Council of the City, acting as the legislative body of CFD No. 2016-1.

"County" means the County of Stanislaus.

“Exempt Property” means all Assessor’s Parcels that are exempt from the Special Tax pursuant to Section E.

“Facilities” means the facilities authorized to be funded by CFD No. 2016-1 as described in the proceedings for formation of CFD No. 2016-1,

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

“Low Income Household” means a household in the City that meets the Low Income limit of eighty percent (80%) of the Area Median Income (AMI) or lower for Stanislaus County, as determined annually by the California Department of Housing and Community Development.

“Maximum Annual Special Tax” means the maximum annual Special Tax, determined in accordance with the provisions of Section C, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Multi-Family Property” means all Assessor’s Parcels of Taxable Property for which a map has been recorded designating Residential Lots for the purpose of developing Multi-Family Units.

“Multi-Family Unit(s)” means attached residential dwelling units included in, but not limited to, duplexes, triplexes, townhomes, condominiums, and apartment units.

“Other Property” means all Assessor’s Parcels of Taxable Property, whether developed or undeveloped, for which a map has been recorded designating the Assessor’s Parcel as a lot and cannot be classified as Single-Family Residential Property or Multi-Family Residential Property.

“Proportionately” means for Taxable Property that the ratio of the Special Tax levy to the Maximum Annual Special Tax is equal for all Assessor’s Parcels of Taxable Property within CFD No. 2016-1.

“Public Property” means any property within the boundaries of CFD No. 2016-1 that is (i) used for parks, schools, drainage and detention easements, rights-of-way or any other public purpose and is owned by or irrevocably offered for dedication to the federal government, the State of California, the County, the City or any other public agency or (ii) encumbered by an unmanned utility easement making impractical its utilization for purposes other than the purpose set forth in the easement, provided, however, that any property leased by a public agency to a private entity and subject to taxation under the Act shall be taxed and classified in accordance with its use.

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

“Senior Citizen” means a person 65 years of age or older residing within the City.

“Services” means the maintenance and operation services authorized to be funded by CFD No. 2016-1 as described in the proceedings for formation of CFD No. 2016-1.

“Single-Family Property” means all Assessor’s Parcels of Taxable Property for which a map has been recorded designating Residential Lots for the purpose of developing a single-family dwelling unit.

“Special Tax” means the annual special tax to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property to fund the Special Tax Requirement.

“Special Tax Requirement” means that amount of Special Tax revenue required in any Fiscal Year for CFD No. 2016-1 to: (a) pay directly for the Facilities and Services; (b) pay CFD No. 2016-1 Debt Service; (c) pay Administrative Expenses; (d) pay any amounts required to establish or replenish any

repair and contingency funds, capital improvement funds, or reserve funds for CFD No. 2016-1; (e) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year; and (f) a credit for funds available to reduce the annual Special Tax levy, as determined by the CFD Administrator.

“**State**” means the State of California.

“**Taxable Property**” means all of the Assessor’s Parcels within the boundaries of CFD No. 2016-1 that are not exempt from the Special Tax pursuant to law or Section E below.

B. ASSIGNMENT TO LAND USE CATEGORIES

On, or around, July 1 of each Fiscal Year, all Assessor’s Parcels of Taxable Property within CFD No. 2016-1 shall be classified as Single-Family Residential Property, Multi-Family Residential Property or Other Non-Residential Property and shall be subject to the levy of annual Special Taxes determined pursuant to Sections C and D below.

C. MAXIMUM ANNUAL SPECIAL TAX

The Maximum Annual Special Tax for each Assessor’s Parcel of Taxable Property shall be assigned according to the table below:

Property Land Use	Maximum Special Tax Amount
Single-Family Property	\$148.00 per Residential Lot
Multi-Family Property	\$96.20 per Multi-Family Unit
Other Property	\$148.00 per Assessor’s Parcel

The Maximum Annual Special Tax is not subject to an annual increase. Under no circumstances shall the Special Tax levied in any fiscal year against any parcel used for private residential purposes be increased as a consequence of delinquency or default by the owner or owners of any other parcel or parcels within the CFD by more than 10 percent (10%) above the amount that would have been levied in that fiscal year had there never been any such delinquencies or defaults.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing with Fiscal Year 2017-2018 and for each following Fiscal Year, the CFD Administrator shall determine the Special Tax Requirement and the City shall levy the Special Tax until the amount of Special Taxes equal the Special Tax Requirement. The Special Tax shall be levied each Fiscal Year Proportionately on each Assessor’s Parcel of Taxable Property at up to one hundred percent (100%) of the applicable Maximum Special Tax.

E. EXEMPTIONS

The CFD Administrator shall classify the following as Exempt Property: (a) Public Property; (b) Agricultural Property; and (c) Assessor's Parcels with public or utility easements making impractical their utilization for any use other than the purposes set forth in the easement.

If the use of an Assessor's Parcel of Exempt Property changes so that such Assessor's Parcel is no longer classified as one of the uses set forth above that would make such Assessor's Parcel eligible to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property.

F. SENIOR DISCOUNT

Senior Citizens that qualify as a Low Income Household shall be eligible for a fifty percent (50%) reduction of the Special Tax if they own and reside in a Single Family Property or Multi-Family Property within the CFD. Eligible Senior Citizens meeting the criteria to qualify for the reduction shall complete and submit annually to the City a Special Tax Reduction Claim Form. The Special Tax Reduction Claim Form must be submitted on an annual basis and no later than June 30 of each tax year.

G. SPECIAL TAX REVIEW/APPEAL

Any landowner or resident who feels that the amount of the Special Tax levied on their Assessor's Parcel is in error shall first consult with the CFD Administrator regarding such error. If following such consultation, the CFD Administrator determines that an error has occurred; the CFD Administrator may amend the amount of the Special Tax levied on such Assessor's Parcel. If following such consultation and action (if any by the CFD Administrator), the landowner or resident believes such error still exists, such person may file a written notice with the City appealing the amount of the Special Tax levied on such Assessor's Parcel. Upon the receipt of any such notice, the City may establish such procedures, as it deems necessary to undertake the review of any such appeal. The review/appeal shall interpret this Rate and Method of Apportionment and make determinations relative to the annual administration of the Special Tax and any landowner or resident appeals, as herein specified. The decision of the City shall be final and binding as to all persons.

H. INTERPRETATION OF SPECIAL TAX FORMULA

The City Council reserves the right to make minor administrative and technical changes to this Rate and Method of Apportionment that do 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 Council's discretion. Interpretations may be made by the City Council by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in the Rate and Method of Apportionment of Special Taxes.

I. MANNER OF COLLECTION

The annual Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that the City may directly bill the Special Taxes, and may collect Special Taxes at a different time or in a different manner as necessary to meet its financial obligations.

J. PREPAYMENT OF SPECIAL TAX

The Special Tax may not be prepaid.

K. TERM OF SPECIAL TAX

The Special Tax shall be levied for a period of thirty (30) years, commencing in Fiscal Year 2017-2018, and shall not be levied after Fiscal Year 2047-2048, except that a Special Tax that was lawfully levied in or before Fiscal Year 2047-2048 and that remains delinquent may be collected in subsequent years.

EXHIBIT D

CITY OF NEWMAN
COMMUNITY FACILITIES DISTRICT NO. 2016-1
(COMMUNITY POOL)

NOTICE OF PUBLIC HEARING

Notice is hereby given that the City Council of the City of Newman will conduct a public hearing on Tuesday, June 14, 2016, at 7:00 p.m. or as soon thereafter as the matter may be heard, in the City Council Chambers located at 938 Fresno Street, Newman, California, to consider the following:

CITY OF NEWMAN
COMMUNITY FACILITIES DISTRICT NO. 2016-1
(COMMUNITY POOL)

On April 26, 2016, the City Council of the City of Newman adopted a Resolution entitled "A Resolution of the City Council of the City of Newman, California, Declaring Its Intention to Establish a Community Facilities District and to Authorize the Levy of Special Taxes" (the "Resolution of Intention"). Reference is hereby made to the Resolution of Intention on file in the office of the City Clerk of the City of Newman for further particulars.

In the Resolution of Intention, the City Council declared its intention to form the City of Newman Community Facilities District No. 2016-1 (Community Pool) (the "District") to fund the construction and ongoing maintenance of the community pool, as further identified in an exhibit to the Resolution of Intention. The proposed boundaries of the District were identified in another exhibit to the Resolution of Intention, and the Resolution of Intention identified a proposed special tax to be levied on real property to be included in the District to pay for costs of the capital improvements and services.

In the Resolution of Intention, the City Council provided that the levy of the special tax will be subject to a vote by the City's registered voters to be held in conjunction with the November 2016 General Election. The City Council ordered the City's Finance Director to prepare a report on the District, and the City Council called for a public hearing on the District.

At the hearing, the testimony of all interested persons or taxpayers for or against the establishment of the District, the extent of the District or the furnishing of specified types of services will be heard. Any person interested may file a protest in writing with the City Clerk. If fifty percent or more of the registered voters, or six registered voters, whichever is more, residing in the territory proposed to be included in the District, or the owners of one-half or more of the area of land in the territory proposed to be included in the District and not exempt from the special tax file written protests against the establishment of the District and the protests are not withdrawn to reduce the value of the protests to less than a majority, the City Council of the City shall take no further action to establish the District or authorize the special taxes for a period of one year from the date of the decision of the City Council. If the majority protests of the registered voters or the landowners are only against the furnishing of a type or types of services within the District, or against levying a specified special tax, those types of facilities and services, or the specified special tax, will be eliminated from the proceedings to form the District.

Any person interested in these matters is invited to attend and present testimony either for or against the above item. If you challenge the proposed action in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or in written correspondence delivered to the City Council during or prior to the public hearing.

/s/ Mike Maier
City Clerk, City of Newman