

RESOLUTION NO. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA DECLARING ITS INTENTION TO ESTABLISH PROPOSED COMMUNITY FACILITIES DISTRICT NO. 16M (EL DORADO RIDGE) OF THE CITY OF CHULA VISTA AND TAKING OTHER ACTIONS RELATING THERETO

WHEREAS, the CITY COUNCIL (the “City Council”) of the CITY OF CHULA VISTA, CALIFORNIA (the “City”), has proposed the establishment of a community facilities district comprised of certain real property within the City, pursuant to Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the California Government Code, commonly known as the “Mello-Roos Community Facilities Act of 1982” (the “Act”), for the purpose of financing certain public services (the “Services”) of which are necessary to meet increased demands placed upon the City as a result of the development of said real property; and

WHEREAS, the Act provides that the City Council may initiate proceedings to establish a community facilities district only if it has first considered and adopted local goals and policies concerning the use of community facilities districts; and

WHEREAS, the City Council has previously been presented with and approved the City of Chula Vista Statement of Goals and Policies Regarding the Establishment of Community Facilities Districts (the “Policies”) for consideration, and the proposed Services comply with the Policies; and

WHEREAS, in order to formally commence proceedings to form a community facilities district, the City Council is required to adopt this resolution of intention pursuant to Section 53321 of the Act.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Chula Vista, that a community facilities district is proposed to be established under the provisions of the Act. The name proposed for the community facilities district is “Community Facilities District No. 16M (El Dorado Ridge), City of Chula Vista, County of San Diego, State of California” herein referred to as “CFD No. 16M.”

BE IT FURTHER RESOLVED by the City Council of the City of Chula Vista, that the foregoing recitals are correct and are incorporated herein by this reference.

BE IT FURTHER RESOLVED by the City Council of the City of Chula Vista, that the boundaries of the proposed CFD No. 16M are described and shown on the map entitled “Proposed Boundaries of Community Facilities District No. 16M (El Dorado Ridge), City of Chula Vista, County of San Diego, State of California,” which is attached hereto as Exhibit “A” and is on file with the City Clerk. Said map is approved and, pursuant to Section 3110 of the California Streets and Highways Code, the City Clerk shall, after conforming with the other requirements of Section 3111 of said Code, record the original of said map in their office, and

not later than 15 days prior to the date of the public hearing set forth in herein, shall file a copy of said map with the County Recorder of the County of San Diego.

BE IT FURTHER RESOLVED by the City Council of the City of Chula Vista, that the types of Services proposed to be provided for and financed by the proposed CFD No. 16M are in addition to those provided in the territory of CFD No. 16M, and include, but are not limited to, the maintenance of onsite and offsite open space easements, including but not limited to, biotic surveys, habitat maintenance and restoration, and compliance reporting; and such other services authorized by the Act; and

The administrative expenses to be financed by the proposed CFD No. 16M include: (i) all costs associated with the formation of the proposed community facilities district, the determination of the amount of and collection of special taxes including any charges imposed by the County Auditor's Office, the payment of special taxes and the costs of commencing and pursuing to completion any action arising from delinquent special taxes, the costs of the City or designee in complying with all regulatory reporting requirements, and costs otherwise incurred in order to carry out the authorized purposes of the community facilities district, including but not limited to consultant and attorney's fees; (ii) accumulation and funding of reserves for capital replacement costs; (iii) a sinking fund for Services that could not otherwise be funded in a single fiscal year; and (iv) any other expense required in order to carry out the authorized purposes of CFD No. 16M (the "Administrative Expenses").

BE IT FURTHER RESOLVED by the City Council of the City of Chula Vista, that, except where funds are otherwise available, a special tax sufficient to finance the Services and related Administrative Expenses (the "Special Taxes") secured by the recordation of a continuing lien against all taxable or nonexempt property in CFD No. 16M, shall be annually levied within CFD No. 16M.

Under no circumstances will Special Taxes levied in any fiscal year against any parcel used for private residential purposes be increased as consequence of delinquency or default by the owner of any other parcel or parcels within CFD No. 16M 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. A parcel shall be considered "used for private residential purposes" not later than the date on which an occupancy permit or the equivalent for private residential use is issued and for such parcel.

For further particulars as to the rate and method of apportionment of the Special Taxes to be levied on parcels of taxable property in CFD No. 16M reference is made to the attached and incorporated Exhibit "B" (the "Rate and Method") which sets forth in sufficient detail the rate and method of apportionment of the Special Taxes for the Services to allow each landowner or resident within CFD No. 16M to clearly estimate the maximum amount that such person will have to pay.

Pursuant to Section 53340 of the Act, said Special Taxes shall be collected in the same manner and at the same time as ordinary ad valorem property taxes; provided however, that CFD No. 16M may collect Special Taxes at a different time or in a different manner if necessary to

meet its financial obligations, and may covenant to foreclose and may actually foreclose on delinquent assessor's parcels as permitted by the Act.

There are no conditions under which the obligation to pay Special Taxes may be prepaid and permanently satisfied. 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 Taxes shall attach to all non-exempt real property in CFD No. 16M, and that lien shall continue in force and effect while the Services are provided by the City. The special tax obligation shall not be prepaid and shall continue in perpetuity or until the City ceases to provide the services and the lien cancelled in accordance with law.

BE IT FURTHER RESOLVED by the City Council of the City of Chula Vista, that, pursuant to Section 53340 of the Act, and except as provided in Section 53317.3 of the Act, properties of entities of the state, federal, and local governments shall be exempt from the levy of Special Taxes. Additionally, and as describe more fully in Section 53340 of the Act, properties receiving a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code shall be exempt from the Special Tax.

BE IT FURTHER RESOLVED by the City Council of the City of Chula Vista, that the City Council finds that the Services described in Section 4 hereof are necessary to meet increased demands placed upon the City as a result of new development occurring within the boundaries of proposed CFD No. 16M.

BE IT FURTHER RESOLVED by the City Council of the City of Chula Vista, that, pursuant to Section 53314.9 of the Act, the City Council proposes to accept advances of funds or work-in-kind from private persons or private entities and to provide, by resolution, for the use of those funds or that work-in-kind for any authorized purpose, including but not limited to, paying any costs incurred by the City in creating proposed CFD No. 16M, and to enter into an agreement, by resolution, with the person or entity advancing the funds or work-in-kind to repay funds advanced, or to reimburse the person or entity for the value, or cost, whichever is less, of the work-in-kind, as determined by the City Council.

BE IT FURTHER RESOLVED by the City Council of the City of Chula Vista, that a public hearing on the formation of proposed CFD No. 16M shall be held at a regular meeting at 5:00 p.m. on May 7, 2024 in the council chambers located at 276 Fourth Avenue, Chula Vista, California 91910.

BE IT FURTHER RESOLVED by the City Council of the City of Chula Vista, that the City Clerk shall publish a notice of the time and place of said hearing as required by Section 53322 of the Act, and may also give notice of the time and place of said hearing by first-class mail to each registered voter and to each landowner within CFD No. 16M as prescribed by Section 53322.4 of said Code. Said notice shall be published at least seven (7) days and mailed at least fifteen (15) days before the date of the hearing, and shall contain the information required by said Section 53322.

BE IT FURTHER RESOLVED by the City Council of the City of Chula Vista, that the officers of the City who will be responsible for providing the proposed Services to be provided within and financed by proposed CFD No. 16M, if it is established, shall study proposed CFD No. 16M, and, at or before the time of said hearing, file a report or reports with the City Council containing a brief description of the Services by type which will in their opinion be required to adequately meet the needs of proposed CFD No. 16M and their estimate of the fair and reasonable cost of providing the Services and the related Administrative Expenses to be incurred in connection therewith. All such reports shall be made a part of the record of the hearing to be held pursuant to this Resolution.

BE IT FURTHER RESOLVED by the City Council of the City of Chula Vista, that the voting procedures to be followed shall be pursuant to Section 53326 of the Act and pursuant to the applicable provisions of the California Election Code.

BE IT FURTHER RESOLVED by the City Council of the City of Chula Vista, that the City Council finds this Resolution is not subject to the California Environmental Quality Act (CEQA) in that the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty, as in this case, that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

BE IT FURTHER RESOLVED by the City Council of the City of Chula Vista, that if any provision of this Resolution or the application thereof to any person or circumstance is held invalid by a court of competent jurisdiction, such invalidity shall not affect other provisions or applications, and to this end the provisions of this Resolution are declared to be severable.

BE IT FURTHER RESOLVED by the City Council of the City of Chula Vista, that this Resolution shall become effective immediately.

[SIGNATURES ON THE FOLLOWING PAGE]

Presented by

Approved as to form by

Laura C. Black, AICP
Director of Development Services

Jill D.S. Maland
Lounsbury Ferguson Altona & Peak
Acting City Attorney

EXHIBIT "A"
PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 16M (EL
DORADO RIDGE), CITY OF CHULA VISTA, COUNTY OF SAN DIEGO, STATE OF
CALIFORNIA
[Attached]

EXHIBIT "B"
RATE AND METHOD OF APPORTIONMENT FOR CITY OF CHULA VISTA
COMMUNITY FACILITIES DISTRICT NO. 16M (EL DORADO RIDGE)
[Attached]