

RESOLUTION NO. 5367

**A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF SOLEDAD DECLARING INTENTION TO ESTABLISH A
COMMUNITY FACILITIES DISTRICT (COMMUNITY FACILITIES DISTRICT NO.
2018-01 PUBLIC SERVICES); SUBJECT TO VOTER APPROVAL, TO AUTHORIZE
THE LEVY OF A SPECIAL TAX; AND ESTABLISHING THE DATE, TIME AND
PLACE OF A PUBLIC HEARING TO CONSIDER SUCH MATTERS**

WHEREAS, the City has received a “Petition to Create a Community Facilities District and Related Matters,” a copy of which is attached hereto as **Exhibit A**; and

WHEREAS, in response to the aforesaid Petition, and in accordance with subsection (a) of Section 53318 of the California Government Code (the “Code”), the City Council of the City of Soledad proposes to initiate and conduct proceedings pursuant to the Mello-Roos Community Facilities Act of 1982 (Sections 53311 and following of the Code; hereafter; the “Act”) to establish a community facilities district to be known as the “City of Soledad Community Facilities District No. 2018-01 (Public Services)” (“CFD No. 2018-01”), and subject to approval of the qualified electors of CFD No. 2018-01, to provide for the levy of a special tax on all taxable parcels within CFD No. 2018-01 (the “Special Tax”) to provide funding for certain authorized public services and related incidental administrative and incidental expenses; and

WHEREAS, the public services for which the City Council intends to provide funding with proceeds of the Special Tax of CFD No. 2018-01 (the “Authorized CFD Public Services”) are set forth in **Exhibit B**, attached hereto and by this reference made a part hereof; and

WHEREAS, the City Council has by resolution adopted on this same date a boundary map (the “Boundary Map”), which is on file with the City Clerk and which establishes the initial boundaries of CFD No. 2018-01; and

WHEREAS, Section 53321 of the Act provides that legal proceedings for the establishment of a community facilities district pursuant to the Act shall be instituted by the adoption of a resolution of the City Council declaring its intention as provided hereafter in this resolution.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Soledad hereby finds, determines, and resolves as follows:

Section 1. The foregoing recitals are true and correct, and the City Council hereby expressly so finds and determines.

Section 2. The Authorized CFD Public Services for which funding is intended to be authorized with proceeds of the Special Tax are those set forth in Exhibit B; provided, however, that, in accordance with Section 53313 of the Act, CFD No. 2018-01 may only finance the Authorized CFD Public Services to the extent that they are in addition to those provided in the

territory of CFD No. 2018-01 before CFD No. 2018-01 is established, and the additional services may not supplant services already available within that territory when CFD No. 2018-01 is established.

Section 3. Except where funds are otherwise available, and subject to the affirmative vote of the qualified electors of CFD No. 2018-01, the Special Tax will be annually levied on all nonexempt taxable parcels within CFD No. 2018-01 in accordance with the provisions of the Rate and Method of Apportionment of the Special Tax (the "RMA") attached hereto as **Exhibit C** and by this reference made a part hereof. Upon recordation of (a) the initial 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 within CFD No. 2018-01, and this lien shall continue in force and effect until levy and collection of the Special Tax by the City ceases.

Subject to the limitation that the amount of the Special Tax levied for any year on any parcel may not exceed the then-applicable maximum Special Tax, the aggregate amount of Special Taxes to be levied annually on all taxable parcels within CFD No. 2018-01 (collectively, the "Taxable Property") shall be the total of the "Special Tax Requirement" for the subject Fiscal Year, as defined in the RMA.

Section 4. The types of incidental expenses which may be incurred and which are authorized to be paid from the proceeds of the Special Tax (the "Incidental Expenses") are set forth in **Exhibit D**, attached hereto and by this reference made a part hereof.

Section 5. The City Council hereby approves the Boundary Map attached hereto as **Exhibit E**, including (a) the establishment of the initial boundary of CFD No. 2018-01, as shown on the Boundary Map, and authorizes and directs the City Clerk to execute and record or cause the recording of the Boundary Map in the official records of the County Recorder of the County of Monterey (the "County").

Section 6. Advances of funds or contributions of work in kind from any lawful source, specifically including but not limited to the City or any owner of property within CFD No. 2018-01, may be reimbursed from proceeds of the Special Tax to the extent of the lesser of the value or cost of the contribution, but any agreement to do so shall not constitute a debt or liability of the City, any member of the City Council or any other officer, employee or agent of the City.

Section 7. The City Council hereby sets Wednesday, February 7, 2018, at 5:30 p.m. or as soon thereafter as the matter may be heard, in the City Council Chambers, 248 Main Street, Soledad, California, as the time and place for the public hearing on the establishment of CFD No. 2018-01, the establishment of the Authorized CFD Public Services and Incidental Expenses which may be funded with proceeds of the Special Tax, and, subject to the affirmative approval of the qualified electors of CFD No. 2018-01, the authorization to levy the Special Tax in accordance with Exhibit B or any other aspect of the proposed CFD No. 2018-01. At the hearing, testimony of all interested persons and taxpayers for or against any aspect of the

proposed CFD No. 2018-01 will be heard, and protests will be considered from persons owning real property within CFD No. 2018-01.

As provided by the Act, written protests by the owners of a majority in area of the land within the proposed CFD No. 2018-01 will constitute a “majority protest” and will require the suspension of proceedings for at least one year. Written protests must be filed with the City Clerk at or before the time fixed for the hearing. If such majority protests are directed only against certain elements of the proposed CFD No. 2018-01, this City Council may direct that those elements be deleted from the proceedings and that the proceedings may continue as revised.

Section 8. It is anticipated that the Special Tax will be billed as a separate line item on the regular property tax bill of the County. However, the City Council reserves the right, under Section 53340 of the Act, to utilize any method of collecting the Special Tax which it shall, from time to time, determine to be in the best interests of the City, including, but not limited to, direct billing by the City to the property owners and supplemental billing.

Section 9. David Taussig & Associates, as special tax consultant to the City for CFD No. 2018-01, is directed to study CFD No. 2018-01 and to cause the preparation and filing of the report required by Section 53321.5 of the Act (the “Hearing Report”) prior to the time of the public hearing.

Section 10. The City Council also intends to establish the annual appropriations limit of CFD No. 2018-01 at \$1,250,000 for the first fiscal year for which the Special Tax is levied in accordance with the RMA.

Section 11. The City Clerk is hereby authorized and directed to cause the publication of a notice of hearing, containing the matters specified by Section 53322 of the Act, one time in a newspaper in general circulation in the area of CFD No. 2018-01, said publication to occur no later than seven days prior to the date of the public hearing. In addition to published notice, the City Clerk is authorized to provide for mailed notice of hearing by first-class mail, postage prepaid, in accordance with Section 53322.4 of the Act, to each landowner within the proposed boundary of CFD No. 2018-01, which mailed notice shall contain the same information as is required to be contained in the published notice.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Soledad at a regular meeting this 3rd day of January, 2018, by the following vote:

AYES, and in favor thereof, Councilmembers: Christopher Bourke, Mayor Pro Tem Alejandro Chavez, Carla Stewart, Anna Velazquez and Mayor Fred Ledesma

NOES, Councilmembers: None

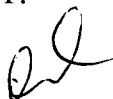
ABSENT, Councilmembers: None

ABSTAIN, Councilmembers: None



FRED J. LEDESMA, Mayor

ATTEST:



MICHAEL McHATTEN, City Clerk

EXHIBIT A

PETITION

To Create a Community Facilities District and Related Matters

City Council
City of Soledad
248 Main Street
Soledad, CA 93960

To the City Clerk and City Manager:

This is a petition to create a community facilities district and with respect to related matters under the Mello-Roos Community Facilities Act of 1982 (Sections 53311 and following of the California Government Code (“Act”). The undersigned hereby states as follows:

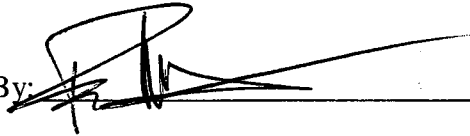
1. Proceedings Requested. The City Council of the City of Soledad (“City”), requests Michael McHatten, City Manager and authorized agent of the City of Soledad (“Petitioner”), to undertake and complete proceedings under the Act to create a community facilities district to be designated “City of Soledad, Community Facilities District No. 2018-01 (Public Services)” (“CFD”), and to levy special taxes in the CFD.
2. Types of Public Services. The types of public services to be financed by the Community Facilities District are any and all services authorized by the Act, including but not limited to police protection service, fire, ambulance and emergency response service, maintenance and lighting of parks, parkways, streets, roads and open space, and flood and storm protection service.
3. Boundaries of CFD. The Petitioners ask that the territory to be included in the boundaries of the CFD consist of all parcels within the City’s territorial boundary.
4. Purpose of CFD. The Petitioners ask that the CFD be created and the special taxes be levied to pay for the Public Services referenced herein and to pay other costs as shall be more fully identified during the legal proceedings to form the CFD.
5. Requisites. Pursuant to Section 53318, this written request for the establishment of a CFD must be signed by a minimum of two (2) members of the City Council.

This petition does not bind the City to approve or form the CFD.

By executing this petition, the City Council agree(s) to all the above.

Executed on 01/02/, 2018

By: Christopher K Banks Title: Council Member

By:  Title: Mayor

By: _____ Title: _____

By: _____ Title: _____

By: _____ Title: _____

The address to which ballots for the CFD election are to be sent:
City of Soledad
248 Main Street
Soledad, CA 93960

EXHIBIT B

DESCRIPTION OF AUTHORIZED CFD PUBLIC SERVICES

The following public services within the City of Soledad Community Facilities District No. 2018-01 (Public Services) ("CFD No. 2018-01") are the Authorized CFD Public Services that are eligible to be financed by CFD No. 2018-01:

Any and all services authorized by Section 53313 of the Act ("Section 53313"), including but not limited to:

Police Protection Services, as more fully described in subsection (a) of Section 53313;

Fire protection and suppression services, and ambulance and paramedic services;

Recreation program services, library services, and operation and maintenance of museums and cultural services, as described in subsection (c) of Section 53313;

Maintenance and Lighting of parks, parkways, streets, roads and open space, as set forth in subsection (d) of Section 53313; and

Flood and Storm Protection Services, as more fully described in subsection (e) of Section 53313.

Without limiting the generality of the foregoing, the cost and expense of providing these services may include the establishment and maintenance of customary and reasonable reserves for the purchase of supplies and replacement parts (e.g., a prudent supply of replacement street lights and emergency sand bags).

EXHIBIT C

**RATE AND METHOD OF APPORTIONMENT FOR
CITY OF SOLEDAD
COMMUNITY FACILITIES DISTRICT NO. 2018-01
(PUBLIC SERVICES)
CITY OF SOLEDAD, COUNTY OF MONTEREY, STATE OF CALIFORNIA**

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax as hereinafter defined shall be levied on all Assessor's Parcels of Taxable Property in City of Soledad Community Facilities District No. 2018-01 (Public Services), City of Soledad, County of Monterey, State of California ("CFD No. 2018-01") and collected each Fiscal Year commencing in Fiscal Year 2018-19, in an amount determined by the Council through the application of the appropriate Special Tax for "Developed Property," as described below. All of the real property in CFD No. 2018-01, unless exempted by law or by the provisions hereof, shall be taxed for these purposes, to the extent and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"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 subdivision map, parcel map, condominium plan, record of survey, or other map or plan recorded with the County. The square footage of an Assessor's Parcel is equal to the Acreage of such parcel multiplied by 43,560.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, 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. 2018-01: the costs of computing the Special Taxes 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 (whether by the City or otherwise); the costs to the City, CFD No. 2018-01, or any designee thereof of complying with CFD No. 2018-01 or obligated persons disclosure requirements associated with the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs to the City, CFD No. 2018-01, or any designee thereof related to an appeal of the Special Tax; 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. 2018-01 for any other administrative purposes of CFD No. 2018-01, including attorney's

fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

“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 Assessor of the County designating parcels by Assessor’s Parcel number.

“Authorized Services” means those services eligible to be funded by CFD No. 2018-01, as defined in the Resolution of Formation and authorized to be financed by CFD No. 2018-01 pursuant to Section 53313 and Section 53313.5 of the Act. CFD No. 2018-01 shall finance Authorized Services only to the extent that they are in addition to those provided in the territory of CFD No. 2018-01 before the CFD was created and such Authorized Services may not supplant services already available within CFD No. 2018-01 when the CFD was created.

“Building Permit” means a permit issued by the City or other governmental agency for the construction of a residential or non-residential building on an Assessor’s Parcel.

“CFD Administrator” means an official of the City or CFD No. 2018-01, or any designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

“CFD No. 2018-01” means City of Soledad Community Facilities District No. 2018-01 (Public Services), City of Soledad, County of Monterey, State of California.

“City” means the City of Soledad.

“City Council” means the City Council of the City of Soledad, acting as the legislative body of CFD No. 2018-01.

“County” means the County of Monterey.

“Developed Property” means, for each Fiscal Year, all Assessor’s Parcels for which a Building Permit was issued on or before May 1 of the Fiscal Year preceding the Fiscal Year for which the Special Taxes are being levied.

“Dwelling Unit” means a building or portion thereof designed for and occupied in whole or part as a residence or sleeping place, either permanently or temporarily, by one (1) family and its guests, with sanitary facilities and one (1) kitchen provided within the unit. Boarding or lodging houses, dormitories, and hotels shall not be defined as Dwelling Units unless the land use permit specifies a residential use.

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

“Industrial and Institutional Property” means all Non-Residential Property, other than Retail and Office Property.

“Land Use Class” means any of the classes listed in Table 1.

“Maximum Special Tax” means, for each Fiscal Year, the maximum Special Tax, determined in accordance with Section C, below, that can be levied on any Assessor’s Parcel.

“Multi-Family Residential Property” means, all Assessor’s Parcels of Developed Property for which a Building Permit has been issued for purposes of constructing a Dwelling Unit that shares an inside wall with another Dwelling Unit, and consists of more than two (2) Dwelling Units, including, but not limited to, triplexes, condominiums, and apartment units. For purposes of determining the Special Tax due, any “second unit” or “accessory dwelling unit” (as determined pursuant to Section 65852.2 of the Government Code) shall be considered a separate Dwelling Unit and shall be subject to this Special Tax.

“Non-Residential Floor Area” means the total building square footage of the non-residential building(s) or the non-residential portion of a building with both residential and non-residential areas located on an Assessor’s Parcel of Developed Property, measured from outside wall to outside wall, not including space devoted to stairwells, public restrooms, lighted courts, vehicle parking and areas incident thereto, and mechanical equipment incidental to the operation of such building. The determination of Non-Residential Floor Area shall be made by reference to the Building Permit(s) issued for such Assessor’s Parcel and/or to the appropriate records kept by the City’s Building Division, as reasonably determined by the CFD Administrator.

“Non-Residential Property” means any and each Assessor’s Parcel of Developed Property for which a Building Permit permitting the construction of one or more non-residential units or facilities has been issued by the City or some other governmental agency.

“Property Owner Association Property” means, for each Fiscal Year, any Assessor’s Parcel within the boundaries of CFD No. 2018-01 that is owned by or irrevocably offered for dedication to a property owner association, including any master or sub-association, not including any such property that is located directly under a residential or non-residential structure.

“Proportionately” means that the ratio of the actual annual Special Tax levy to the Maximum Special Tax is equal for all Assessor’s Parcels of Developed Property.

“Public Property” means, for each Fiscal Year, (i) any property within the boundaries of CFD No. 2018-01 that is owned by or irrevocably offered for dedication to the Federal government, the State, 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. 2018-01 that is encumbered by an unmanned utility easement making impractical its utilization for other than the purpose set forth in the easement.

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

“Residential Floor Area” means all of the square footage of living area within the perimeter of a residential structure located on Residential Property, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area and not including any Non-Residential Floor Area. The determination of Residential Floor Area shall be made by reference to the Building Permit(s) issued for such Assessor’s Parcel and/or to the appropriate records kept by the City’s Building Division, as reasonably determined by the CFD Administrator.

“Residential Property” means all Assessor’s Parcels of Developed Property for which a Building Permit permitting the construction thereon of one or more residential facilities has been issued by the City or some other governmental agency.

“Resolution of Formation” means the resolution adopted by the Council pursuant to Section 53325.1 of the Act, establishing CFD No. 2018-01.

“Retail and Office Property” means, all Non-Residential Property that is or will be: (i) for retail purposes consisting of one or more commercial establishment(s) that sell general merchandise, hard goods, food and beverage, personal services, and other items directly to consumers, including but not limited to restaurants, bars, entertainment venues, health clubs, laundromats, dry cleaners, repair shops, storage facilities, and parcel delivery shops, and (ii) for office space in which professional, banking, insurance, real estate, administrative, or in-office medical or dental activities are conducted.

“San Francisco Urban Consumer Price Index” means, for each Fiscal Year, the Consumer Price Index published by the U.S. Bureau of Labor Statistics for All Urban Consumers in the San Francisco – Oakland – San Jose Area, measured as of the month of December in the calendar year that ends in the previous Fiscal Year. In the event this index ceases to be published, the San Francisco Urban Consumer Price Index shall be another index as determined by the CFD Administrator that is reasonably comparable to the Consumer Price Index for the San Francisco – Oakland – San Jose Area.

“Single Family Residential Property” means all Assessor’s Parcels of Developed Property for which a Building Permit has been issued for purposes of constructing one (1) single-family residential Dwelling Unit.

“Special Tax” or **“Special Taxes”** means the special tax or special taxes to be levied in each Fiscal Year on each Assessor’s Parcel of Developed Property to fund the Special Tax Requirement.

“Special Tax Requirement” means that amount to be collected in any Fiscal Year for CFD No. 2018-01 to pay for certain costs as required to meet the needs of CFD No. 2018-01 in that Fiscal Year. The costs to be covered shall be the direct costs for (i) Authorized Services, including the establishment of reserves for future costs of Authorized Services, (ii) Administrative Expenses, and (iii) an amount to cover anticipated delinquencies for the payment of the Special Tax, based

on the delinquency rate for the preceding Fiscal Year; less (iv) a credit for funds available to reduce the annual Special Tax levy, if any, as determined by the CFD Administrator. Under no circumstances shall the Special Tax Requirement include debt service payments for debt financings by CFD No. 2018-01.

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

“**Taxable Property**” means all of the Assessor’s Parcels within the boundaries of CFD No. 2018-01 which are not exempt from the Special Tax pursuant to law or Section E below.

“**Undeveloped Property**” means, for each Fiscal Year, all property not classified as Developed Property, Property Owner Association Property, or Public Property.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, all Assessor’s Parcels within CFD No. 2018-01, shall be classified by the CFD Administrator as Developed Property, Undeveloped Property, Property Owner Association Property, or Public Property, and shall be subject to annual Special Taxes in accordance with this Rate and Method of Apportionment as determined by the CFD Administrator pursuant to Sections C and D below. The CFD Administrator’s allocation of property to each type of Land Use Class shall be conclusive and binding. However, only Developed Property shall be subject to annual Special Taxes in accordance with the Rate and Method of Apportionment as determined pursuant to Sections C and D below.

C. MAXIMUM SPECIAL TAX RATE

1. Developed Property

a. Maximum Special Tax

The Maximum Special Tax for Fiscal Year 2018-19 for Developed Property is shown below in Table 1. Under no circumstances shall a Special Tax be levied on additions to existing Dwelling Units.

TABLE 1

**Maximum Special Taxes for Developed Property
For Fiscal Year 2018-19
Community Facilities District No. 2018-01**

Land Use Class	Land Use	Fiscal Year 2018-19 Maximum Special Tax
1	Single Family Residential Property	\$225.00 per Dwelling Unit
2	Multi-Family Residential Property	\$150.00 per Dwelling Unit
3	Retail and Office Property	\$0.22 per Sq. Ft. of Non-Residential Floor Area
4	Industrial and Institutional Property	\$0.06 per Sq. Ft. of Non-Residential Floor Area

b. Multiple Land Use Classes

In some instances, an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax that can be levied on an Assessor's Parcel shall be the sum of the Maximum Special Taxes that can be levied for all Land Use Classes located on that Assessor's Parcel.

c. Increase in the Maximum Special Tax

On each July 1, commencing on July 1, 2019, the Maximum Special Tax for Developed Property shall be increased annually by the greater of the change in the San Francisco Urban Consumer Price Index (during the twelve (12) months prior to December of the previous Fiscal Year) or two percent (2.00%), with a maximum annual increase of four (4.00%) percent for any given Fiscal Year.

2. Undeveloped Property

No Special Taxes shall be levied on Undeveloped Property.

3. Prepayment of Special Tax

No prepayment of the Special Tax shall be permitted in CFD No. 2018-01.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing with Fiscal Year 2018-19 and for each following Fiscal Year, the City Council shall levy the annual Special Tax Proportionately for each Assessor's Parcel of Developed Property at up to 100% of the applicable Maximum Special Tax, until the amount of Special Taxes equals the Special Tax Requirement.

E. EXEMPTIONS

In addition to Undeveloped Property being exempt from annual Special Taxes, no Special Tax shall be levied on Public Property or Property Owner Association Property. However, should an Assessor's Parcel no longer be classified as Public Property or Property Owner Association Property, such Assessor's Parcel shall, upon each reclassification, no longer be exempt from Special Taxes.

F. APPEALS AND INTERPRETATIONS

Any landowner or resident may file a written appeal of the Special Tax on his/her property with the CFD Administrator, provided that the applicant is current in his/her payments of Special Taxes. During the pendency of the appeal, all Special Taxes previously levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Tax is in error. Upon review, the CFD Administrator shall have the authority to confirm, reduce or eliminate the Special Tax in question. If the appellant is dissatisfied with the CFD Administrator's determination, the appellant may appeal the matter to the City Council (or designee thereof) by filing notice of the appeal with the City Clerk within thirty (30) days of the CFD Administrator's determination. Said notice must specify the reason for the appellant's disagreement with the CFD Administrator's determination. The CFD Administrator and/or City may charge the appellant a reasonable fee, including all City staff and consulting costs, for processing the appeal. The decision of the City Council or designee on all appeals shall be final and binding.

The City may interpret this Rate and Method of Apportionment for purposes of clarifying any ambiguity and make determinations relative to the annual administration of the Special Tax and any landowner or resident appeals. Any decision of the City will be final and binding as to all persons.

G. 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 Tax, may collect Special Taxes at a different time or in a different manner if necessary or otherwise advisable to meet its financial obligations for CFD No. 2018-01,

and may covenant to foreclose and may actually foreclose on delinquent Assessor's Parcels as permitted by the Act.

H. FUTURE ANNEXATIONS

It is anticipated that additional properties will be annexed to CFD No. 2018-01 from time to time. As each annexation is proposed, an analysis may be prepared to determine the annual cost for providing Authorized Services to such parcels. Based on this analysis, any parcels to be annexed, pursuant to California Government Code Section 53339 *et seq.* will be assigned the approximate Maximum Special Tax rates when annexed.

I. TERM OF SPECIAL TAX

The Special Tax shall be levied in perpetuity as necessary to meet the Special Tax Requirement, unless no longer required to pay for Authorized Services as determined at the sole discretion of the Council.

EXHIBIT D

INCIDENTAL EXPENSES

It is anticipated that the following incidental expenses may be incurred in the proposed legal proceedings for formation of CFD No. 2018-01 and in the ongoing process of providing for the Authorized CFD Public Services described in Exhibit A to this resolution and in the collection, administration and enforcement of the Special Tax in accordance with the RMA:

- a. City staff and consulting costs associated with the management and supervision of CFD Authorized Public Services activities, including management of contractors.
- b. City staff and consulting costs associated with annual reports and budget preparation in order to levy, collect, administer and enforce payment of the Special Tax, together with the administrative fee collected by the County to place the Special Tax on the tax roll; and other costs and expenses of the City related to administration of the Special Tax.

The foregoing enumeration shall not be regarded as exclusive and shall be deemed to include any other incidental expenses of a like nature which may be incurred from time to time with respect to CFD No. 2018-01.

EXHIBIT E

BOUNDARY MAP



PROPOSED BOUNDARIES OF
CITY OF SOLEDAD
COMMUNITY FACILITIES DISTRICT NO. 2018-01
(PUBLIC SAFETY)
COUNTY OF MONTEREY
STATE OF CALIFORNIA

The CFD boundary is co-terminous with the City of Soledad and its Sphere of Influence boundaries as of March 9, 2017.

Reference is hereby made to the Assessor maps of the County of Monterey for a description of the lines and dimensions of these parcels.

(1) Filed in the office of the Clerk of the City of Cotati this ____ day of _____, 201__.

Michael McHatten,
City Clerk of the City of Soledad, California

(2) I hereby certify that the within map showing the proposed boundaries of City of Soledad Community Facilities District No. 2018-01 (Public Safety), County of Monterey, State of California, was approved by the City Council of the City of Soledad at a regular meeting thereof, held on this ____ day of _____, 201__, by its Resolution No. _____.

Michael McHatten,
City Clerk of the City of Soledad, California

(3) Filed this ____ day of _____, 201__, at the hour of ____ o'clock __m, in Book _____ of Maps of Assessment and Community Facilities Districts at Page _____ and as Instrument No. _____





Recorder in the County of Monterey, State of California.

Stephen L. Vagnini,
Monterey County Assessor/Clerk/Recorder
By _____
Deputy
Fee _____

Exempt recording requested,
per CA Government Code §6103

PROPOSED BOUNDARIES OF
CITY OF SOLEDAD
COMMUNITY FACILITIES DISTRICT NO. 2018-01
(PUBLIC SAFETY)
COUNTY OF MONTEREY
STATE OF CALIFORNIA

LEGEND

-  Proposed Boundaries of City of Soledad Community Facilities District No. 2018-01 (Public Safety), County of Monterey, California
-  Roadway
-  Soledad City Limits
-  Soledad Sphere of Influence

