

Ordinance No. 1656(18)

**An Ordinance of the City Council of the City of Lompoc,
County of Santa Barbara, State of California,
Levying Special Taxes Within
Community Facilities District No. 2018-01 (Summit View Homes)**

WHEREAS, on October 16, 2018, the City Council of the City of Lompoc (City) adopted a Resolution No. 6201(18) entitled "A Resolution of the City Council of the City of Lompoc of Intention to Establish a Community Facilities District (the Resolution of Intention), has conducted proceedings (the Proceedings) to establish Community Facilities District No. 2018-01 (Summit View Homes) (CFD No. 2018-01), of the City pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, California Government Code, section 53311 *et seq.* (the Act) to finance the services described in the Special Tax Lien, attached hereto and incorporated herein (the Services) as provided in the Act; and

WHEREAS, pursuant to notice as specified in the Act, and as part of the Proceedings, the City Council has held public hearings under the Act relative to the determination to proceed with the formation of CFD No. 2018-01, the rate and method of apportionment of the special taxes to be levied within the CFD to finance a portion of the costs of the Services and at such hearings, all persons desiring to be heard on all matters pertaining to the formation of CFD No. 2018-01 and the levy of such special taxes were heard, substantial evidence was presented and considered by the City Council and full and fair hearings were held; and

WHEREAS, upon the conclusion of the hearings, the City Council adopted Resolution No. 6224(18) Forming Community Facilities District No. 2018-01 (the Resolution of Formation) pursuant to which it completed the Proceedings for the establishment of CFD No. 2018-01, the authorization of the levy of a special taxes with the CFD, and the calling of an election within the CFD on the proposition of levying such special taxes, and establishing an appropriations limit within the CFD, respectively; and

WHEREAS, the City Council has found fewer than 12 persons have been registered to vote within the territory of CFD No. 2018-01 for the 90 days preceding the close of the public hearing held by the City Council on November 20, 2018, for the purposes of the Proceedings; accordingly, the vote shall be by the landowners within the CFD (the Qualified Electors), and each qualified elector at the close of the public hearing, or the authorized representative thereof, shall have one vote for each acre or portion of an acre that they own within the CFD; and

WHEREAS, on November 20, 2018, a special election was held among the landowner voters within CFD No. 2018-01 at which such voters approved such proposition to levy special taxes by the two-thirds vote required by the Act, which approval has been confirmed by Resolution No. 6226(18).

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LOMPOC DOES HEREBY ORDAIN AS FOLLOWS:

SECTION 1. By the passage of this ordinance, the City Council hereby authorizes and levies special taxes within CFD No. 2018-01 pursuant to the Act and in accordance with the Rate and Method of Apportionment of Special Tax set forth in the Resolution of Formation, which Rate and Method of Apportionment is by this reference incorporated herein. The special taxes are hereby levied commencing in Fiscal Year 2018-19 and in each fiscal year thereafter until the last fiscal year in which such special taxes are authorized to be levied pursuant to the Rate and Method of Apportionment.

SECTION 2. The City Manager of the City, or designee or employee thereof of the City, is hereby authorized and directed each fiscal year to determine the specific special tax rates and amounts to be levied for the next ensuing fiscal year for each parcel of real property within CFD No. 2018-01, in the manner and as provided in the Resolution of Formation.

SECTION 3. Exemptions from the levy of the special taxes shall be as provided in the Resolution of Formation and the applicable provisions of the Act. In no event shall the special taxes be levied on any parcel within CFD No. 2018-01 in excess of the maximums specified in the Resolution of Formation.

SECTION 4. All of the collections of the special taxes shall be used as provided in the Act and in the Resolution of Formation, to pay, in whole or in part, the cost of providing the Services and incidental expenses pursuant to the Act, the payment of the costs of the City in administering CFD No. 208-01, and the costs of collecting and administering the special taxes.

SECTION 5. The special taxes 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 City Council may provide for other appropriate methods of collection by resolution(s) of the City Council. In addition, the provisions of Section 53356.1 of the Act shall apply to delinquent special tax payments. The City Manager of the City is hereby authorized and directed to provide all necessary information to the auditor/tax collector of the County of Santa Barbara 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 Santa Barbara for Fiscal Year 2018-19 and for each fiscal year thereafter as authorized.

SECTION 6. 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 CFD No. 2018-01, by a Court of competent jurisdiction, then the balance of this ordinance and the application of the special tax to the remaining parcels within CFD No. 2018-01 shall not be affected.

SECTION 7. This ordinance shall take effect 30 days after its adoption. The City Clerk, or her duly appointed deputy, shall attest to the adoption of this ordinance and shall cause this ordinance to be posted in the manner required by law.

This Ordinance was introduced on November 20, 2018, and duly adopted by the City Council of the City of Lompoc at its duly noticed regular meeting on December 4, 2018, by the following electronic vote:

PASSED AND ADOPTED this ___th day of ___ 2018, by the following electronic vote:

AYES: Council Member(s):

NOES: Council Member(s):

ABSENT: Council Member(s):

Bob Lingl, Mayor
City of Lompoc

Attest:

Stacey Haddon, City Clerk
City of Lompoc

Attachment: Notice of Special Tax Lien

**RECORDING REQUESTED BY AND
AFTER RECORDATION RETURN TO:**

Stacey Haddon, City Clerk
City of Lompoc
100 Civic Center Plaza
Lompoc, CA 93436

NOTICE OF SPECIAL TAX LIEN

**CITY OF LOMPOC
Community Facilities District No. 2018-01
(Summit View Homes)**

Pursuant to the requirements of Section 3114.5 of the California Streets and Highways Code and the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Section 53311 of the California Government Code (Act), the undersigned City Clerk of the City of Lompoc, County of Santa Barbara, State of California, hereby gives notice (Notice) of the foregoing and a lien to secure payment of a special tax is hereby imposed by the City Council of the City of Lompoc, County of Santa Barbara, State of California. The special tax secured by this lien is authorized to be levied for the purpose of providing the services, including incidental expenses, described in Exhibit A attached hereto and incorporated by this reference herein.

The special tax is authorized to be levied within the City of Lompoc Community Facilities District No. 2018-01 (Summit View Homes) (CFD No. 2018-01), which has now been officially formed, and the lien of special tax is a continuing lien which shall secure each annual levy of the special tax and which shall continue in force and effect until the special tax ceases to be levied and a notice of cessation of special tax is recorded in accordance with the Section 53330.5 of the Act.

The rate, method of apportionment, and manner of collection of the authorized special tax is as set forth in the rate and method of apportionment of the special tax (the Rate and Method) attached hereto as Exhibit B and by this reference incorporated herein. The Rate and Method does not provide for prepayment of the special tax obligation.

Notice is further given, upon the recording of this Notice in the office of the County Recorder of the County of Santa Barbara, the obligation to pay the special tax levy shall become a lien upon all nonexempt real property within CFD No. 2018-01, in accordance with Section 3115.5 of the California Streets and Highways Code.

The names of the owners and the assessor's tax parcel numbers of the real property included within CFD No. 2018-01 and not exempt from the special tax are as set forth in Exhibit C attached hereto and by this reference made a part hereof.

Reference is made to the boundary map of the CFD, which has been sent to the office of the County Recorder for the County of Santa Barbara, State of California, for recordation and is the final boundary map of the CFD.

For further information concerning the current and estimated future tax liability of owners or purchasers of real property subject to this special tax lien, interested persons should contact the City Manager, City of Lompoc, 100 Civic Center Plaza, Lompoc, California, 93436, telephone (805) 736-1261.

Date: _____

By:

Stacey Haddon, City Clerk

EXHIBIT A

DESCRIPTION OF SERVICES TO BE FINANCED BY THE CFD

**CITY OF LOMPOC
Community Facilities District No. 2018-01
(Summit View Homes)**

The types of services to be funded by the CFD ("Services") shall include:

- 1) The annual operation, maintenance, and servicing, including repair and replacement of streets, parkways, roads, sidewalks, curbs, gutters, street lighting, signals, street signage, storm drainage;
- 2) Fire protection and suppression services, and ambulance and paramedic services;
- 3) Police protection services, including, but not limited to, criminal justice services;
- 4) Any incidental expenses authorized by the Act, including the costs associated with the formation and annual administration of the CFD; and
- 5) Any other miscellaneous or incidental services identified by the City necessary to provide the described Services herein including the collection and accumulation of funds to pay for anticipated Service, future repairs and replacements and cost shortfalls.

EXHIBIT B

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

CITY OF LOMPOC Community Facilities District No. 2018-01 (Summit View Homes)

A Special Tax authorized under the Mello-Roos Community Facilities Act of 1982 applicable to the land in the Community Facilities District No. 2018-01 (CFD) of the City of Lompoc (City) shall be levied and collected according to the tax liability determined by the City through the application of the appropriate amount or rate described herein.

A. DEFINITIONS

“Acre” means each acre of the land area making up an Assessor’s Parcel as shown on an Assessor’s Parcel Map, or if the land area is not shown on an Assessor’s Parcel Map, the land area shown on the applicable Final Map or other recorded County parcel map.

“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 estimated costs incurred by the City to determine, levy and collect the Special Taxes, including the proportionate amount of the salaries and benefits of City employees whose duties are directly related to administration of the CFD and the fees of Special Tax levy administrator, other consultants, legal counsel, the costs of collecting installments of the Special Taxes upon the County tax rolls and any other incidental costs authorized by the Act.

“Annual Escalation Factor for Maintenance Service Costs” means an amount equal to the percentage change in the Construction Cost Index as published by the Engineering News-Record (ENRCCI) for the twelve months ending in January, as published in January of the preceding year, or 4%, whichever is greater. If the ENRCCI at any time is no longer available, then a comparable economic indicator, as reasonably determined by City, shall be used.

“Annual Escalation Factor for Non-Maintenance Service Costs” means an amount equal to the percentage increase during the preceding year in the Consumer Price Index for All Urban Consumers in the Los Angeles-Long Beach-Anaheim, CA, metropolitan area (CPI-U), as published by the U.S. Department of Labor, Bureau of Labor Statistics for the twelve months ending in January, as published in January of the preceding year, or 4%, whichever is greater. If the CPI-U at any time is no longer available, then a comparable economic indicator, as reasonably determined by City, shall be used.

“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 Number” means, with respect to an Assessor’s Parcel, that number assigned to such Assessor’s Parcel by the County of Santa Barbara for purposes of identification.

“Annual Special Tax” means the annual Special Tax, determined in accordance with Section D below to be levied in the CFD in any Fiscal Year on any Assessor’s Parcel.

“Base Year” means the Fiscal Year ending June 30, 2019.

“Building Permit” means a single permit or set of permits required to construct an entire structure.

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

“CFD” or **“CFD No. 2018-01”** means Community Facilities District No. 2018-01 (Summit View Homes) of the City of Lompoc.

“City” means the City of Lompoc.

“City Council” means the City Council of the City of Lompoc, acting as the legislative body of the City and the CFD.

“County” means the County of Santa Barbara, California.

“County Assessor” means the Santa Barbara County Assessor.

“Developed Residential Property” means all Assessor Parcels of Developed Property for which a Building Permit has been issued prior to April 1 of the preceding Fiscal Year for construction of a Residential Unit.

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

“Land Use Classification” means any of the classes listed in Section B(1).

“Maximum Special Tax” means the greatest amount of Special Tax, determined in accordance with Sections B and C below that can be levied in the CFD in any Fiscal Year on any Assessor’s Parcel.

“Owner Association Property” means any property within the boundaries of the CFD owned by a homeowner association or property owner association, including any master or sub association.

“Public Property” means any property within the boundaries of the CFD that is either (i) owned by the federal government, the State of California, the City, the County, another public agency, or a private nonprofit organization that owns and is responsible for conservation of open space areas, or (ii) encumbered by an easement owned by any such public agency or private organization which easement makes the development of such property impractical. Notwithstanding the foregoing, a leasehold or other possessory interest in any such property which is subject to taxation pursuant to Section 53340.1 of the Act shall not constitute “Public Property.”

“Residential Unit” means each separate residential dwelling unit on an Assessor's Parcel that comprises an independent facility capable of conveyance or rental as distinct from adjacent residential dwelling units. An accessory residential dwelling unit that shares a Parcel with a Single Family Detached Residential Unit shall not be considered as a Residential Unit for the purposes of this RMA.

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

“Services” means the services authorized to be funded by the CFD as described in the Resolution of Intention for the CFD.

“Special Tax” means a Special Tax levied in any Fiscal Year to pay the Special Tax Requirement.

“Special Tax Requirement” means the amount required in any Fiscal Year for the CFD to i) provide the Services; ii) pay for reasonable Administrative Expenses; iii) repayment of the cost of the CFD formation; iv) pay any amounts required to establish or replenish any reserve funds, and v) cure any delinquencies in the payment of Special Taxes which have occurred in the prior Fiscal Year or pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year.

“State” means the State of California.

“Taxable Property” means any Assessor's Parcel that is not Tax-Exempt Property.

“Tax-Exempt Property” means any Parcel within the CFD which is not Developed Residential Property or Undeveloped Property, and includes Public Property and Owner Association Property.

“Undeveloped Property” means any Assessor's Parcel which is not Tax-Exempt Property, and for which no Building Permit has been approved and issued by April 1 of the previous Fiscal Year.

B. DETERMINATION OF MAXIMUM SPECIAL TAX

The Maximum Special Tax shall be calculated as follows:

- 1. Classification of Parcels.** Each Fiscal Year, using the Definitions above and the Parcel records of the County Assessor's Secured Tax Roll of July 1, the City shall cause each Parcel of land in the CFD to be classified as Developed Residential Property, Undeveloped Property, Owner Association Property, or Tax-Exempt Property.
- 2. Assignment of Maximum Special Tax.** Each Fiscal Year, the Base Year Maximum Tax shown below shall be escalated as specified in Section C, Annual Adjustment of Maximum Special Tax, to determine the Maximum Special Tax for the upcoming Fiscal Year for each Land Use Classification.

Land Use Classification	Base Year Maximum Tax
Developed Residential Property	\$775 per Residential Unit
Undeveloped Property	\$2,620 per Acre
Owner Association Property	\$0
Tax-Exempt Property	\$0

- 3. Conversion of a Tax-Exempt Property to a Taxable Property.** If a Tax-Exempt Property is not needed for public use and is converted to private use, it shall become subject to the Special Tax.
- 4. Nonresidential Developed Property.** In the event that any property is converted to nonresidential developed property, it shall become subject to the special tax at an amount equal to the special tax for undeveloped property.

C. ANNUAL ADJUSTMENT OF MAXIMUM SPECIAL TAX

Beginning in January 2019 and each January thereafter, the Maximum Special Tax shall be adjusted each fiscal year by the weighted average of the Annual Escalation Factor for Maintenance Service Costs (50%) and the Annual Escalation Factor for Non-Maintenance Service Costs (50%). Each annual adjustment of the Maximum Special Tax shall become effective for the following Fiscal Year.

D. DETERMINATION OF THE ANNUAL SPECIAL TAX

Commencing with the Base Year, and for each subsequent Fiscal Year, the City Council shall determine the Special Tax Requirement and shall levy the Annual Special Tax on each Assessor's Parcel of Developed Residential Property at up to 100% of the applicable Maximum Special Tax to fund the Special Tax Requirement.

If additional revenues are needed to provide the 1) Maintenance Services; 2) Road Maintenance Costs; 3) pay anticipated Administrative Expenses; and 4) cure any

delinquencies in the payment of Special Taxes which have occurred in the prior Fiscal Year or pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year, then the Annual Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for Undeveloped Property.

Under no circumstances will the Annual Special tax levied against any Assessor's Parcel of Developed Property increase by more than 10% as a consequence of delinquency or default by the owner of any other Assessor's Parcel within the CFD.

Subject to the preceding, the amount of Annual Special Tax levied upon any Developed Property and Undeveloped Property in any Fiscal Year shall not exceed the Maximum Special Tax for such Fiscal Year as computed herein.

E. DURATION OF THE SPECIAL TAX

Assessor's Parcels in the CFD shall remain subject to the Special Tax in perpetuity. If the Special Tax ceases to be levied, the City or its designee shall direct the County Recorder to record a Notice of Cessation of Special Tax. Such notice will state that the obligation to pay the Special Tax has ceased and that the lien imposed by the Notice of Special Tax Lien is extinguished.

F. PREPAYMENT OF SPECIAL TAX

Prepayment of the Special Tax is not authorized.

G. APPEALS AND INTERPRETATION PROCEDURE

Any property owner who feels the portion of the Special Tax levied on the subject property is in error, may file a written appeal no later than April 10 of the Fiscal Year in which the levy occurred, with the City Manager or his or her designee, appealing the levy of the Special Tax on the subject property. The City Manager or his or her designee will promptly review the appeal, and, if necessary, meet with the applicant, and decide the merits of the appeal. If the findings of the City Manager or his or her designee verify that the Special Tax levied should be modified, the Special Tax levy for future Fiscal Years shall be corrected, and a credit against future Special Taxes shall be arranged, if applicable. Any overcharges shall be corrected solely by means of adjustments to future Special Tax levies; no cash refunds shall be made. Any dispute over the decision of the City Manager or his or her designee shall be referred to the City Manager, and the City Council and the decision of the City Council shall be final and binding on all parties.

Interpretation may be made by resolution of the City Council for purposes of clarifying any vagueness or uncertainty as it relates to the application of the Special Tax rate, or application of the method of apportionment, or classification of properties or any definition applicable to the CFD.

H. COLLECTION OF THE SPECIAL TAX

The Special Tax shall be collected each year in the same manner and at the same time as ad valorem property taxes are collected and shall be subject to the same penalties and lien priorities in the case of delinquency as is provided for ad valorem taxes. The City shall cause the actions required above to be done for each Fiscal Year in a timely manner to assure the schedule of the Special Taxes to be collected are received by the County Auditor for inclusion with billings for such ad valorem taxes for the applicable Fiscal Year. However, the CFD Administrator may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of the City or as otherwise determined appropriate by the CFD Administrator.

EXHIBIT C

DESCRIPTION OF LANDOWNER PROPERTIES

**CITY OF LOMPOC
Community Facilities District No. 2018-01
(Summit View Homes)**

<u>Assessor's Parcel Number</u>	<u>Acres</u>	<u>Property Owner</u>
097-250-034	10.06	MC Summit 44 LLC.