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**WHEREAS**, twelve (12) or more registered voters have not resided within the territory of Annexation No. 2 for each of the ninety (90) days preceding January 29, 2019 and February 12, 2019.

1 NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF RIALTO HEREBY RESOLVES  
2 FOR THE CITY OF RIALTO COMMUNITY FACILITIES DISTRICT NO. 2016-1, ANNEXATION  
3 NO. 2 AS FOLLOWS:

4       **Section 1:**     Findings. The City Council finds that: (i) the foregoing recitals are true and  
5 correct; (ii) 12 persons have not been registered to vote within the territory to be annexed to CFD No.  
6 2016-1 for each of the 90 days preceding the close of the public hearing on January 29, 2019 and  
7 February 12, 2019; (iii) pursuant to Section 53326 of the California Government Code, as a result of  
8 the findings set forth in clause (ii) above, the vote in the special election called by this resolution shall  
9 be by the landowners of the territory to be annexed to CFD No. 2016-1, whose property would be  
10 subject to the special taxes if they were levied at the time of the election, and each landowner shall have  
11 one vote for each acre, or portion thereof, which he or she owns within Annexation No. 2 which would  
12 be subject to the proposed special taxes if they were levied at the time of the election; (iv) the owners of  
13 all of the land in Annexation No. 2 by written consent (a) waived the time limits set forth in Section  
14 53326 of the California Government Code for holding the election called by this resolution and the  
15 election on the propositions (b) consented to the holding of the election on January 29, 2019 and  
16 February 12, 2019, as applicable (c) waived notice and mailed notice of the time and date of the  
17 election, (d) waived an impartial analysis by the City Attorney of the ballot propositions pursuant to  
18 Section 9280 of the California Elections Code and arguments and rebuttals pursuant to Sections 9281 to  
19 9287, inclusive, and 9295 of that Code, and mailing of a statement pursuant to Section 9401 of that  
20 Code, and (e) waived a synopsis of the measures to be included in the official ballot for said elections  
21 pursuant to Section 12111 of that Code; and (v) the City Clerk (hereafter referred to as the "City  
22 Clerk") has consented to the holding of the election on January 29, 2019 and February 12, 2019, as

1 applicable. Any ballots dated January 29, 2019 or February 12, 2019 shall be validly dated for the  
2 purpose of conducting the election as of February 12, 2019.

3 **Section 2:** **Call of Election.** The City Council hereby calls and schedules an election for  
4 February 12, 2019, on the proposition of the annual levy of special taxes on taxable property within  
5 Annexation No. 2 to CFD No. 2016-1 to finance public services within the CFD No. 2016-1, and on the  
6 proposition of the establishment of an appropriations limit for Annexation No. 2 to CFD No. 2016-1.  
7

8 **Section 3:** **Propositions.** The propositions to be submitted to the voters of Annexation No.  
9 2 at such special election shall be as follows:

10 ***Proposition A:*** Shall special taxes be levied annually on taxable property within the territory to be  
11 annexed into the City of Rialto Community Facilities District No. 2016-1 (Public Services), County of  
12 San Bernardino State of California (“Annexation No. 2”) and collected so long as the special taxes are  
13 needed to pay for maintenance and operational costs for police protection services; fire protection and  
14 suppression services; ambulance and paramedic services; maintenance and lighting of parks, parkways,  
15 streets, roads and open space; flood and storm protection services, including maintenance of storm  
16 drains; maintenance and operation of any real property or other tangible property with an estimated  
17 useful life of five years or more that is owned by the City at the special tax rates and pursuant to the  
18 method of apportioning the special taxes set forth in Exhibit “B” to the Resolution of Intention to annex  
19 to the Community Facilities District No. 2016-1 (Public Services), adopted by the City Council of the  
20 City of Rialto on February 12, 2019?

21 ***Proposition B:*** Shall an appropriations limit, as defined by subdivision (h) of Section 8 of Article  
22 XIII B of the California Constitution, be established for Annexation No. 2 to the City of Rialto  
23

1 Community Facilities District No. 2016-1 (Public Services), County of San Bernardino, State of  
2 California, in the amount of \$1,000,000 per annum?

3 The Rate and Method of Apportionment is attached as Exhibit A.

4 **Section 4:** Conduct of Election. Except as otherwise provided in Section 5 hereof, the  
5 special election shall be conducted by the City Clerk in accordance with the provisions of the California  
6 Elections Code governing mail ballot elections of cities, and in particular the provisions of Division 4  
7 (commencing with Section 4000), of that Code, insofar as they may be applicable.

8 **Section 5:** Election Procedures. The procedures to be followed in conducting the special  
9 election on (i) the proposition with respect to the levy of special taxes on taxable property within  
10 Annexation No. 2 to CFD No. 2016-1 to pay for public services, and (ii) the proposition with respect to  
11 the establishment of an appropriations limit for Annexation No. 2 to CFD No. 2016-1 in the amount of  
12 \$1,000,000 per annum shall be as follows:

13  
14 (a) Pursuant to Section 53326 of the California Government Code, ballots for the special election  
15 shall be distributed to the qualified electors by the City Clerk by mail or by personal service.

16 (b) Pursuant to applicable sections of the California Elections Code governing the conduct of mail  
17 ballot elections of cities, and in particular Division 4 (commencing with Section 4000) of that  
18 Code with respect to election conducted by mail, the City Clerk, or designated official, shall  
19 mail or deliver to each qualified elector an official ballot in the appropriate form, and shall also  
20 mail or deliver to all such qualified electors a ballot pamphlet, instructions to voter, and a return  
21 identification envelope addressed to the City Clerk for the return of voted official ballots.  
22  
23

1 (c) The official ballot to be mailed or delivered by the City Clerk to each landowner-voter shall  
2 have printed or typed thereon the name of the landowner-voter and the number of votes to be  
3 voted by the landowner-voter.

4 (d) The return identification envelope mailed or delivered by the City Clerk to each landowner-  
5 voter shall have printed or typed thereon the following: (i) the name of the landowner, (ii) the  
6 address of the landowner, (iii) a declaration under penalty of perjury stating that the voter is the  
7 landowner or the authorized representative of the landowner entitled to vote the enclosed ballot  
8 and is the person whose name appears on the identification envelope, (iv) the printed name and  
9 signature of the voter, (v) the address of the voter, (vi) the date of signing and place of  
10 execution of the declaration, and (vii) a notice that the envelope contains an official ballot and is  
11 to be opened only by the City Clerk.

12  
13 (e) The information to voter form to be delivered by the City Clerk to the landowner-voter shall  
14 inform them that the official ballot shall be returned to the City Clerk properly voted as  
15 provided thereon and with the certification appended thereto properly completed and signed in  
16 the sealed return identification envelope with the certification thereon completed and signed and  
17 all other information to be inserted thereon properly inserted by 6:00 p.m. on the 29<sup>th</sup> day of  
18 January, 2019 and/or February 12, 2019, as applicable; provided that if all qualified electors  
19 have voted, the election shall be closed with the concurrence of the City Clerk.

20 (f) Upon receipt of the return identification envelope, which are returned prior to the voting  
21 deadline on the date of the election, the City Clerk shall canvass the votes cast in the election,  
22 and shall file a statement with the City Council as to the results of such canvass and the election  
23 on each proposition set forth in the official ballot.

**SECTION 6** The City Clerk shall certify to the adoption of this resolution.

PASSED, APPROVED AND ADOPTED this 12<sup>th</sup> day of February, 2019.

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DEBORAH ROBERTSON, Mayor

**ATTEST:**

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BARBARA. McGEE, City Clerk

**APPROVED AS TO FORM:**

---

FRED GALANTE, City Attorney

1  
2 **STATE OF CALIFORNIA** )  
3 **COUNTY OF SAN BERNARDINO** ) ss  
4 **CITY OF RIALTO** )

5 **CERTIFICATION**

6  
7 I, Barbara McGee, City Clerk of the City of Rialto, hereby CERTIFY that Resolution No.  
8 \_\_\_\_\_ was adopted by the Rialto City Council at a regular meeting of the City Council held this 12<sup>th</sup>  
9 day of February, 2019, and was approved and passed by the following vote:

10 AYES:

11 NOES:

12  
13 ABSTAIN:

14 ABSENT:

15 IN WITNESS WHEREOF, I have hereunto set my hand and the Official Seal of the City of  
16 Rialto this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

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19 \_\_\_\_\_  
20 BARBARA. McGEE, City Clerk  
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## EXHIBIT A

### RATE AND METHOD OF APPORTIONMENT

A Special Tax as hereinafter defined shall be levied on all Assessor's Parcels within the City of Rialto Community Facilities District 2016-1 (Public Services), ("CFD 2016-1"), other than Assessor's Parcels classified as Exempt Property as defined herein, and collected each Fiscal Year commencing in Fiscal Year 2017-2018, in an amount determined by the CFD Administrator through the application of the procedures described below. All of the real property within CFD 2016-1, unless exempted by law or by the provisions hereof, shall be taxed for the 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, expressed in acres, 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, other final map, other parcel map, other condominium plan, or functionally equivalent map or instrument recorded in the Office of the Country Recorder. The square footage of an Assessor's Parcel is equal to the Acreage multiplied by 43,560.

**"Act"** means the Mello-Roos Communities 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 expenses related to the administration of CFD 2016-1: the costs of determining the amount of the levy of Special Taxes, the collection of Special Taxes, including the expenses of collecting delinquencies and pursuing foreclosures or tax sale collection, the payment of a proportional share of salaries and benefits of any City employee and City overhead whose duties are directly related to the administration of CFD 2016-1, fees and expenses for counsel, audits, costs associated with responding to public inquiries regarding CFD 2016-1, and any and all other costs incurred in connection with the administration of CFD 2016-1.

**"Annual Escalation Factor"** means the lesser of three percent (3%) or the annual percentage increase, if any, of the U.S. Bureau of Labor Statistics – Compensation: Employment Cost Index for total compensation, for State and Local Government Workers, as determined by the Bureau of Labor Statistics for the twelve (12) months ending the preceding December 31.

**"Assessor's Parcel"** means a lot or parcel shown in 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.

**"Base Year"** means Fiscal Year beginning July 1, 2017 and ending June 30, 2018.

**"Boundary Map"** means the map of the boundaries of CFD 2016-1 recorded on October 6, 2016 in the San Bernardino County Recorder's Office in Book 87, Pages 29, of Maps of Assessments and Community Facilities Districts (instrument number 2016-0418016).



1 **“Building Permit”** means a permit issued for new construction of a residential dwelling or non-  
2 residential structure. For purposes of this definition, “Building Permit” shall not include permits for  
3 construction or installation of retaining walls, grading, utility improvements, or other such  
4 improvements not intended for human habitation.

5 **“CFD Administrator”** means an official of the City, or designee thereof, responsible for determining  
6 the Special Tax Requirement for Services and providing for the levy and collection of the Special  
7 Taxes for CFD 2016-1.

8 **“CFD 2016-1”** means City of Rialto Community Facilities District 2016-1 (Public Services)  
9 established by the City Council under the Act.

10 **“City”** means the City of Rialto.

11 **“City Council”** means the Council of the city of Rialto, acting as the legislative body of CFD 2016-1.

12 **“County”** means the County of San Bernardino.

13 **“Developed Property”** means an Assessor’s Parcel of Taxable Property for which a Building Permit  
14 was issued on or before **June 1** preceding the Fiscal Year for which Special Taxes are being levied.

15 **“Exempt Property”** means all Assessor’s Parcels within CFD 2016-1 that are exempt from the Special  
16 Taxes pursuant to the Act or Section F herein.

17 **“Final Map”** means an Assessor’s Parcel Map, a Final Subdivision Map, condominium plan, lot line  
18 adjustment, or any other map functionally considered to be an equivalent development map that has  
19 been recorded in the Office of the County Recorder.

20 **“Fiscal Year”** means the period commencing on July 1 of any year and ending the following June 30.

21 **“Land Use Type”** means any of the land use types listed in Table 1 below.

22 **“Lot”** means property within a Final Map identified by a lot number for which a Building Permit has  
23 been issued or may be issued.

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

**“Multi-Family Residential Property” or “MFR Property”** means all Assessor’s Parcels of  
Developed Property for which a Building Permit has been issued for purposes of constructing a  
residential structure consisting of two or more residential units that share common walls, including, but  
not limited to, duplexes, triplexes, town homes, condominiums, and apartment units.

**“Property Owner Association Property”** means for each Fiscal Year any property within the  
boundaries of CFD 2016-1 that was owned by, or irrevocably dedicated as indicated in an instrument  
recorded with the County Recorder to a property owner association, including any master or sub-  
association, as of **June 1**.

**“Proportionately”** means in a manner such that the ratio of the actual Special Tax levy to the  
Maximum Special Tax is equal for all Assessor’s Parcels within each Land Use Class.

**“Public Property”** means any property that is owned by, dedicated or irrevocably dedicated to a city,  
the federal government, the State of California, the County, or any other public agency (each, a “Public  
Entity”); provided, however, that any such property is leased by such a Public Entity to a private entity  
and is thereby subject to taxation pursuant to Section 53340.1 of the Act, such leasehold estate shall be  
classified and taxed according to the use thereof.

1 **“Residential Property”** means all Assessor’s Parcels of Developed Property within CFD 2016-1 for  
2 which a Building Permit has been issued for purposes of constructing one or more Residential Unit(s).

3 **“Residential Unit”** means any residence in which a person or persons may live, which is not  
4 considered to be used for non-residential purposes.

5 **“Services”** means those authorized services that may be funded by CFD 2016-1 pursuant to the Act, as  
6 amended including but not limited to: police protection services; fire protection and suppression  
7 services, and ambulance and paramedic services; maintenance and lighting of parks, parkways, streets,  
8 roads, and open space; and flood and storm protection services.

9 **“Single-Family Detached Residential Unit” or “SFR Property”** means all Assessor’s Parcels of  
10 Residential Property consisting of a single Dwelling Unit.

11 **“Special Tax”** means the special tax authorized to be levied within CFD 2016-1 pursuant to the Act,  
12 to fund the Special Tax Requirement.

13 **“Special Tax Requirement”** means the amount, as determined by the CFD Administrator, for any  
14 Fiscal Year to: (i) pay the costs of providing the Services during such Fiscal Year, (ii) pay  
15 Administrative Expenses associated with the Special Tax, (iii) establish or replenish any operational  
16 reserve fund established for Services, (iv) pay incidental expenses related to the Services as authorized  
17 pursuant to the Act, (v) fund an amount equal to a reasonable estimate of delinquencies expected to  
18 occur in the Fiscal Year in which the Special Tax will be levied (“Estimated Special Tax Delinquency  
19 Amount”) and (vi) fund the shortfall, if any, in the Special Tax revenues collected in the preceding  
20 Fiscal Year necessary to fund the Special Tax Requirement for Services for such Fiscal Year where  
21 such shortfall resulted from delinquencies in the payment of Special Taxes in such Fiscal Year that  
22 exceeded the Estimated Special Tax Delinquency Amount included in the Special Tax Requirement for  
23 Services for such Fiscal Year.

**“Taxable Property”** means all Assessor’s Parcels that are not exempt from the Special Tax pursuant to  
the Act or Section H.

**“Undeveloped Property”** means an Assessor’s Parcel of Taxable Property for which a Building  
Permit has not been issued on or before June 1 preceding the Fiscal Year for which Special Taxes are  
being levied.

## 17 **B. CLASSIFICATION OF ASSESSOR’S PARCELS**

18 Each Fiscal Year, beginning with Fiscal Year 2017-2018, using the definitions above, each Assessor’s  
19 Parcel within the CFD 2016-1 shall be classified by the CFD Administrator as Taxable Property or  
20 Exempt Property. In addition, each such Fiscal Year, each Assessor’s Parcel of Taxable Property shall  
21 be further classified by the CFD Administrator as Developed Property or Undeveloped Property.  
22 Developed Property shall be further classified as Single-Family Residential Property or Multi-Family  
23 Residential Property. Commencing with Fiscal Year 2017-2018 and for each subsequent Fiscal Year,  
all Taxable Property shall be subject to the levy of Special Taxes pursuant to Section C below.

## C. MAXIMUM ANNUAL SPECIAL TAXES

### 1. Developed Property

Each Fiscal Year commencing in Fiscal Year 2017-2018, each Assessor's Parcel of Developed Property shall be subject to the Special Tax. The Maximum Special Tax for Developed Property for Fiscal Year 2017-2018 is shown below in Table 1.

**Table 1**  
**Developed Property**  
**Maximum Special Tax Rates**

Land Use Type	Maximum Special Tax Base Year (2017/18)
<b>Residential</b>	
SFR Property	\$288 per Residential Unit
MFR Property	\$216 per Residential Unit

For each subsequent Fiscal Year following the Base Year, the Maximum Special Tax rate shall be increased from the Maximum Special Tax rate in effect for the prior Fiscal Year by the Annual Escalation Factor.

### 2. Undeveloped Property

Each Fiscal Year commencing in Fiscal Year 2017-2018, each Assessor's Parcel classified as Undeveloped Property shall be exempt from the levy of the Special Tax.

### 3. Exempt Property

No Special Tax shall be levied on Exempt Property as defined in Section F.

For each Fiscal Year, if the use or ownership of an Assessor's Parcel or Exempt Property changes so that such Assessor's Parcel is no longer classified as one of the uses set forth in Section F, therefore making such Assessor's Parcel no longer eligible to be classified as Exempt Property, such Assessor's Parcel shall be deemed to be Taxable Property and shall be taxed pursuant to the provisions of Section C.

## D. METHOD OF APPORTIONMENT OF SPECIAL TAX

Commencing in Fiscal Year 2017-2018 and for each subsequent Fiscal Year, the CFD Administrator shall levy the Special Tax on all Taxable Property of CFD 2016-1 until the total amount of Special Tax levied equals the Special Tax Requirement. The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property within CFD 2016-1 up to 100% of the Maximum Special Tax to satisfy the Special Tax Requirement.

Notwithstanding any provision of this Section D to the contrary, under no circumstances will the Special Tax levied against any Assessor's Parcel of Developed Property that is classified as Residential Property be increased by more than ten percent (10%) per Fiscal Year as a consequence of delinquency or default in the payment of Special Taxes by the owner of any other Assessor's Parcel.

1 **E. PREPAYMENT OF SPECIAL TAX**

2 The Special Tax shall be levied in perpetuity for the purpose of financing ongoing authorized services  
3 and therefore may not be prepaid.

4 **F. EXEMPTIONS**

5 The City Council shall classify as Exempt Property: (i) Public Property, (ii) Property Owner  
6 Association Property, (iii) Assessor's Parcels with public or utility easements making impractical their  
7 utilization for other than the purposes set forth in the easement, including but not limited to property  
8 designated for open space, trails, pathways, parks or park and recreation related facilities, (iv) property  
9 reasonably designated by the City or CFD Administrator as Exempt Property due to deed restrictions,  
10 conservation easement, or similar factors.

11 **G. APPEALS**

12 Any property owner claiming that the amount or application of the Special Tax is not correct may file a  
13 written notice of appeal with the CFD Administrator not later than twelve months after having paid the  
14 first installment of the Special Tax A that is disputed. The CFD Administrator shall promptly review  
15 the appeal, and if necessary, meet with the property owner, consider written and oral evidence  
16 regarding the amount of the Special Tax, and rule on the appeal. If the decision of the CFD  
17 Administrator requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of  
18 the property owner, a cash refund shall not be made but an adjustment shall be made to the Special Tax  
19 on that Assessor's Parcel in the subsequent Fiscal Year(s) to compensate for the overpayment of the  
20 Special Tax.

21 **H. MANNER OF COLLECTION**

22 The annual Special Taxes shall be collected in the same manner and at the same time as ordinary ad  
23 valorem property taxes, provided, however, that the Special Taxes may be billed and collected at a  
different time or in a different manner if necessary to meet the financial obligations of CFD 2016-1.