CITY MANAGER'S REPORT APRIL 8, 2024 REGULAR CITY COUNCIL MEETING

ITEM:

PUBLIC HEARING (PUBLISHED NOTICE) TO FORM COMMUNITY FACILITIES DISTRICT NO. 2024-1 (EAGLES LANDING SERVICES)

RECOMMENDATION:

Council to Consider the Following:

- 1. Hold a Public Hearing; and
- 2. Adopt a Resolution of Formation of the Community Facilities District 2024-1 (Eagles Landing Services); and
- 3. Adopt a Resolution Calling Special Election for the Community Facilities District No. 2024-1 (Eagles Landing Services); and
- 4. Adopt a Resolution Declaring Results of Special Election and Direct Recording of Notice of Special Tax Lien for the Community Facilities District No. 2024-1 (Eagles Landing Services); and
- 5. Introduce Ordinance Levying Special Taxes Within Community Facilities District No. 2024-1 (Eagles Landing Services).

SUMMARY:

As part of their conditions of approval, master developers are required to submit to the City a fiscal impact analysis. The purpose of a fiscal impact analysis is to estimate the overall financial impacts a development will have on the City. This analysis enables the City to estimate the difference between the costs of providing services to a new development and the revenue the new development will generate.

The City and DR Horton (Developer) have recently completed a fiscal impact analysis for the Eagles Landing project. The fiscal impact analysis projected that the development would produce a shortfall to the City's General Fund. In order for the City to ensure that development continues to pay its own way, Community Facilities

District No. 2024-1 (Eagles Landing Services) (CFD) needs to be formed to cover the shortfalls.

Staff recommends Council approve the attached three Resolutions and Ordinance to complete the CFD formation process and to legally authorize the future levy of a special tax to finance the costs of certain services of benefit to the properties within the CFD.

BACKGROUND:

City staff, the Financing Team and the Developer have had several discussions to help formulate the proposed CFD and the special tax to be levied, which has been approved by the Developer and will be calculated and levied as set forth in the Rate and Method of Apportionment of Special Tax (Exhibit B of Attachment A).

The CFD will include 95 parcels and will have a single tax rate formula, for the levy of the "Special Tax", for the purpose of funding City services.

The description of the services authorized to be paid for by the special tax, are detailed the "Description of Services" (Exhibit A of Attachment A). The services shall include:

Services

- Police protection services
- > Maintenance of open space; including irrigation and vegetation control
- > Maintenance of roads and roadways; including street sweeping, street repair, street striping and repair and repainting of sound walls
- > Storm protection; including operation and maintenance of storm drainage system
- > Landscaping of public areas; including irrigation, tree trimming and vegetation maintenance and control

The City Council has four documents for consideration:

1. The Resolution of Formation (Attachment A) - This officially forms the CFD, authorizes the special tax to be collected and establishes an appropriations limit for the CFD (under Article XIIIB of the Constitution). The exhibits to this resolution show the Services to be financed and the formula by which the special tax will be levied in the CFD. This includes the List of Services and Facilities (Exhibit A of Attachment A) listing the services and projects that are authorized to be funded from special tax revenues generated within the CFD and the Rate & Method of the Special Tax (Exhibit B of Attachment A) providing for the security for the funding of the CFD and showing how the revenues from the CFD are to be collected and also sets forth the purpose and level of the taxes from the various different types of properties.

- 2. The Resolution Calling Special Landowner Election (Attachment B) This sets the election for the same Council meeting and provides the form of the special ballot to be used by the landowner-voter. The election may be held at the same meeting because the property owner-voters have all requested it. Ballots have been previously mailed and are to be returned directly to the City Clerk by the meeting time.
- 3. The Resolution Declaring Results of Special Landowner Election (Attachment C) - This is for adoption by the Council after the vote is announced by the City Clerk. It confirms the outcome of the property owner election for the CFD. Attached to it is a copy of the official Canvass and Statement of Result of Election to be completed by the City Clerk after the vote is announced. This resolution also directs the filing of the Notice of Special Tax Lien against the lands in the CFD to allow collection of the special tax on each property.
- 4. Ordinance Levying Special Taxes (Attachment D) Under the law, the Council must levy the special taxes by an ordinance. Under this ordinance, the levy is made once by the introduction and adoption of this ordinance, and, in each year hereafter, the process of determining the special taxes and processing the collection is done by the City's financial official (or a consultant) and no further Council action is needed.

Once the above actions are completed, the City is authorized to record with the County Recorder a Notice of Special Tax Lien pertaining to each of the parcels in the CFD subject to a special tax.

REASON FOR RECOMMENDATION:

Staff has worked with DR Horton to complete a fiscal impact analysis for their project. The fiscal impact analysis has determined that the proposed development will produce a shortfall to the City's General Fund. In order for the City to ensure that development continues to pay its own way, a Community Facilities District (CFD) needs to be formed to cover the shortfalls.

FISCAL IMPACT:

City Staff time and all formation costs have been funded by DR Horton. The proposed CFD will fund General Fund shortfalls anticipated by the development.

ATTACHMENTS:

- A. Resolution of Formation of Community Facilities District Exhibits to Attachment A:
 - A. Description of Authorized Services and Facilities
 - B. Rate and Method of Apportionment of Special Tax
- B. Resolution Calling Special Landowner Election Exhibits to Attachment B:
 - A. Official Ballot Special Tax Election
- C. Resolution Declaring Results of Special Landowner Election Exhibits to Attachment C:
 - A. Canvass and Statement of Result of Election
- D. Ordinance Levying Special Taxes Within the Community Facilities District

APPROVALS:

City Manager

Cons hus	3/20/2004
Cari James Director of Finance	Date
Director, of Finance	
B2	3/21/2024
Brad Taylor	Date
City Engineer	
37	3-20-2024
Salvador Navarrete	Date
City Attorney	
	3.28.24
Sterflen 1 Salvatore	Date

RESOLUTION NO. 24-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP OF FORMATION OF COMMUNITY FACILITIES DISTRICT

CITY OF LATHROP Community Facilities District No. 2024-1 (Eagles Landing Services)

WHEREAS, on February 12, 2024, this City Council adopted a resolution entitled "Resolution of Intention to Establish City of Lathrop Community Facilities District No. 2024-1 (Eagles Landing Services)" to Finance Public Services" (the "Resolution of Intention"), stating its intention to form "City of Lathrop Community Facilities District No. 2024-1 (Eagles Landing Services)" (the "CFD") pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with Section 53311, of the California Government Code (the "Act"); and

WHEREAS, the Resolution of Intention, incorporating a map of the proposed boundaries of the CFD and stating the services to be provided (as set forth in the list attached hereto as Exhibit A), the cost of providing such services, and the rate and method of apportionment of the special tax to be levied within the CFD, is on file with the City Clerk and the provisions thereof are incorporated herein by this reference as if fully set forth herein; and

WHEREAS, on this date, this City Council held a noticed public hearing as required by the Act and the Resolution of Intention relative to the proposed formation of the CFD; and

WHEREAS, at the hearing all interested persons desiring to be heard on all matters pertaining to the formation of the CFD, the services to be provided therein and the levy of said special tax were heard and a full and fair hearing was held; and

WHEREAS, at the hearing evidence was presented to this City Council on said matters before it, including a report caused to be prepared by the Public Works Director (the "Report") as to the services to be provided through the CFD and the costs thereof, a copy of which is on file with the City Clerk, and this City Council at the conclusion of said hearing is fully advised in the premises; and

WHEREAS, written protests with respect to the formation of the CFD, the furnishing of specified types of services and the rate and method of apportionment of the special taxes have not been filed with the City Clerk by fifty percent (50%) or more of the registered voters residing within the territory of the CFD or property owners of one-half (1/2) or more of the area of land within the CFD and not exempt from the proposed special tax; and

WHEREAS, the special tax proposed to be levied in the CFD to pay for the proposed services to be provided therein, as set forth in Exhibit B hereto, has not been eliminated by protest by fifty percent (50%) or more of the registered voters residing within the territory of the CFD or the owners of one-half (1/2) or more of the area of land within the CFD and not exempt from the special tax; and

NOW, THEREFORE, IT IS HEREBY RESOLVED as follows:

- 1. Recitals Correct. The foregoing recitals are true and correct.
- 2. <u>No Majority Protest</u>. The proposed special tax to be levied within the CFD has not been precluded by majority protest pursuant to section 53324 of the Act.
- 3. <u>Prior Proceedings Valid</u>. All prior proceedings taken by this City Council in connection with the establishment of the CFD and the levy of the special tax have been duly considered and are hereby found and determined to be valid and in conformity with the Act.
- 4. <u>Name of CFD</u>. The community facilities district designated "City of Lathrop Community Facilities District No. 2024-1 (Eagles Landing Services)" is hereby established pursuant to the Act.
- 5. <u>Boundaries of CFD</u>. The boundaries of the CFD, as set forth in the map of the CFD heretofore recorded in the San Joaquin County Recorder's Office on February 22, 2024, as Document No. 2024-014664 of Maps of Assessment and Community Facilities Districts, are hereby approved, are incorporated herein by reference and shall be the boundaries of the CFD.
- 6. <u>Description of Services</u>. The type of public services proposed to be financed by the CFD and pursuant to the Act shall consist of those items listed as services in Exhibit A hereto and by this reference incorporated herein (the "Services").
- 7. Special Tax. Except to the extent that funds are otherwise available to the CFD to pay for the Services, a special tax (the "Special Tax") sufficient to pay the costs thereof, secured by the recordation of a continuing lien against all non-exempt real property in the CFD, is intended to be levied annually within the CFD, and collected in the same manner as ordinary ad valorem property taxes or in such other manner as may be prescribed by this City Council.

The proposed rate and method of apportionment of the Special Tax among the parcels of real property within the CFD, in sufficient detail to allow each landowner within the proposed CFD to estimate the maximum amount such owner will have to pay, are shown in Exhibit B attached hereto and hereby incorporated herein.

- 8. <u>Increased Demands</u>. It is hereby found and determined that the Services are necessary to meet increased demands placed upon local agencies as the result of development occurring in the CFD.
- 9. <u>Responsible Official</u>. The Finance Director of the City of Lathrop, 390 Towne Centre Drive, Lathrop, CA 95330, 209-941-7200, is the officer of the City who will be responsible for preparing annually a current roll of special tax levy obligations by assessor's parcel number and who will be responsible for estimating future special tax levies pursuant to the Act.
- 10. <u>Tax Lien</u>. Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the Streets and Highways Code of California, a continuing lien to secure each levy of the special tax shall attach to all nonexempt real property in the CFD and this lien shall continue in force and effect until the special tax obligation is prepaid and permanently satisfied and the lien canceled in accordance with law or until collection of the tax by the City ceases.
- 11. Appropriations Limit. In accordance with the Act, the annual appropriations limit, as defined by subdivision (h) of Section 8 of Article XIII B of the California Constitution, of the CFD is hereby preliminarily established at \$3,000,000, and said appropriations limit shall be submitted to the voters of the CFD as hereafter provided. The proposition establishing said annual appropriations limit shall become effective if approved by the qualified electors voting thereon and shall be adjusted in accordance with the applicable provisions of the Act.
- 12. <u>Election</u>. Pursuant to the provisions of the Act, the proposition of the levy of the special tax and the proposition of the establishment of the appropriations limit specified above shall be submitted to the qualified electors of the CFD at an election. The time, place and conditions of the election shall be as specified by a separate resolution of this City Council.
 - 13. <u>Effective Date</u>. This resolution shall take effect upon its adoption.

* * * * *

Teresa Vargas, City Clerk	Salvador Navarrete, City Attorney
	5
ATTEST:	APPROVED AS TO FORM:
	Sonny Dhaliwal, Mayor
ADSTAIN.	
ABSTAIN:	
ABSENT:	
NOES:	
AYES:	
April, 2024, by the following vote:	

I hereby certify that the foregoing Resolution was regularly introduced and adopted by the City Council of the City of Lathrop at a meeting held on the 8^{th} day of

EXHIBIT A

CITY OF LATHROP Community Facilities District No. 2024-1 (Eagles Landing Services)

DESCRIPTION OF SERVICES TO BE FINANCED BY THE CFD

Services

The services to be funded, in whole or in part, by the community facilities district (CFD) include all direct and incidental costs related to providing public services and maintenance of public infrastructure within the Eagles Landing area including the area in the CFD, as well as areas adjacent to the foregoing. More specifically, the services shall include, but not be limited to: (i) police protection services, (ii) maintenance of open space, including trails and habitat areas, with services to include, but not be limited to, irrigation and vegetation control; (iii) maintenance of roads and roadways, with services to include, but not be limited to, regularly scheduled street sweeping, repair of public streets, striping of streets and repair and repainting of sound walls and other appurtenances; (iv) storm protection services, including, but not limited to, the operation and maintenance of storm drainage systems, (v) landscaping in public areas and in the public right of way along public streets, including, but not limited to, irrigation, tree trimming and vegetation maintenance and control; and (vi) any other public services authorized to be funded under Section 53313 of the California Government Code that are not already funded by another community facilities district on the property within the CFD.

The CFD may fund any of the following related to the services described in the preceding paragraph: obtaining, constructing, furnishing, operating and maintaining equipment, apparatus or facilities related to providing the services and/or equipment, apparatus, facilities or fixtures in areas to be maintained, paying the salaries and benefits of personnel necessary or convenient to provide the services, payment of insurance costs and other related expenses and the provision of reserves for repairs and replacements and for the future provision of services. The services to be financed by the CFD are in addition to those provided in the territory of the CFD before the date of formation of the CFD and will not supplant services already available within that territory when the District is created.

Administrative Expenses

The administrative expenses to be funded by the CFD include the direct and indirect expenses incurred by the City of Lathrop (City) in carrying out its duties with respect to the CFD including, but not limited to, the levy and collection of the special taxes, the fees and expenses of attorneys, any fees of the County of San Joaquin related to the CFD or the collection of special taxes, an allocable share of the salaries of any City staff directly related thereto and a proportionate amount of the City's general administrative overhead related thereto, any amounts paid by the

City from its general fund with respect to the CFD or the services authorized to be financed by the CFD, and expenses incurred by the City in undertaking action to foreclose on properties for which the payment of special taxes is delinquent, and all other costs and expenses of the City in any way related to the CFD.

Other

The incidental expenses that may be funded by the CFD include, in addition to the administrative expenses identified above, the payment or reimbursement to the CFD of all costs associated with the establishment and ongoing administration of the CFD.

RATE AND METHOD OF APPORTIONMENT FOR CITY OF LATHROP COMMUNITY FACILITIES DISTRICT NO. 2024-1 (EAGLES LANDING SERVICES)

A Special Tax, as hereinafter defined, shall be levied and collected in City of Lathrop Community Facilities District No. 2024-1 (Eagles Landing Services) ("CFD No. 2024-1") each Fiscal Year commencing in Fiscal Year 2024/25, in an amount determined by the application of the procedures below. All Taxable Property, as hereinafter defined, 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 meaning:

"Accessory Dwelling Unit" or "ADU" means all Assessor's Parcels of Single-Family Residential Detached Property for which a building permit(s) has been issued for an "Accessory Dwelling Unit" as defined in California Government Code Section 65852.2(j)(1), as may be amended from time to time, which is accessory to a primary Unit. The ADU may be located on the same Assessor's Parcel as the primary Unit or on a separate Assessor's Parcel. For purposes of clarification, where an ADU and primary Unit are on the same Assessor's Parcel, the ADU located on such Assessor's Parcel is considered a separate Unit from the primary Unit on such Assessor's Parcel for purposes of the Special Tax. Should an Assessor's Parcel contain only an ADU, such Assessor's Parcel will be taxed as an ADU Unit only.

"Acre or Acreage" means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map or in the Assessor's Data for each Assessor's Parcel. In the event the Assessor's Parcel Map or Assessor's Data shows no Acreage, the Acreage for any Assessor's Parcel shall be determined by the CFD Administrator based upon the applicable final map, parcel map, condominium plan, or other recorded County parcel map. If the preceding maps are not available, the Acreage of an Assessor's Parcel may be determined utilizing GIS.

"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.

"Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of CFD No. 2024-1 including, but not limited to, the following: the costs of computing the Annual Special Tax Requirement and of preparing the Special Tax collection schedules; the costs of collecting the Special Tax, including any charges levied by the County Auditor's Office, Tax Collector's Office or Treasurer's Office; the costs of the City or designee in complying with the disclosure requirements of the California Government Code (including the Act), including public inquiries regarding the Special Tax; the costs of the City or designee related to an appeal of the Special Tax; and the costs of commencing and pursuing to completion any action arising from any delinquent Special Tax in CFD No. 2024-1. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 2024-1 for any other administrative purposes, including, but not limited to, attorney's fees.

"Annual Services Costs" means the respective amounts determined by the CFD Administrator required to fund services authorized to be funded by CFD No. 2024-1 for the applicable yearly period.

"Annual Special Tax Requirement" means that amount with respect to CFD No. 2024-1 determined by the City Council or designee as required in any Fiscal Year to pay: (1) the Administrative Expenses, (2) the Annual Services Costs, (3) any amount required to establish or replenish any reserve or replacement fund established in connection with CFD No. 2024-1, and (4) any reasonably anticipated delinquent Special Tax based on the delinquency rate for any Special Tax levied in the previous Fiscal Year.

"Assessor's Data" means Assessor's Parcel Number, Units, Acreage, or other information contained in the records of the County Assessor for each Assessor's Parcel.

"Assessor's Parcel" or "Parcel" means a lot or parcel shown in an Assessor's Parcel Map and/or Assessor's Data 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.

"Assessor's Parcel Number" means, with respect to an Assessor's Parcel, that number assigned to such Assessor's Parcel by the County Assessor for purposes of identification.

"Building Square Feet" or "BSF" means all of the square footage within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Building Square Feet shall be made by reference to the Assessor's Data. If the Assessor's Data does not show Building Square Feet, building permit(s) issued for such structure, or other records of the City shall be used, as determined by the CFD Administrator.

"City means the City of Lathrop, California.

"City Council" means the City Council of the City, acting as the legislative body of CFD No. 2024-1.

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

"CFD No. 2024-1" means the City of Lathrop Community Facilities District No. 2024-1 (Eagles Landing Services).

"County" means the County of San Joaquin.

"County Assessor" means the County Assessor of the County.

"Developed Property" means, in any Fiscal Year, all Taxable Property in CFD No. 2024-1 for which a building permit for new construction was issued by the City prior to June 1 of the preceding Fiscal Year

"Exempt Property" means all Assessors' Parcels within the boundary of CFD No. 2024-1 which are exempt from the Special Tax pursuant to Section E.

"Final Subdivision Map" means a subdivision of property created by recordation of a final subdivision map, parcel map or lot line adjustment, approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 4120, that creates individual lots for which residential building permits may be issued without further subdivision of such property.

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

"GIS" means a geographic information system.

"Initiative #1935" means initiative constitutional amendment 1935 which is eligible for the November 5, 2024, general election ballot and will be certified as qualified unless withdrawn by the proponent prior to June 27, 2024.

"Maximum Special Tax" means the maximum Special Tax authorized to fund the Annual Special Tax Requirement in any Fiscal Year that may apply to Taxable Property as described in Section C.

"Mixed-Use Property" means all Assessor's Parcels of Developed Property that have more than one land use category, allowing for both a Single-Family Residential Detached Property Unit and an ADU Unit on each such Assessor's Parcel. For an Assessor's Parcel of Mixed-Use Property, the Special Tax shall be calculated and levied for each use type present on the Assessor's Parcel.

"Open Space Property" means property within the boundaries of CFD No. 2024-1 which (i) has been designated with specific boundaries and Acreage on a Final Subdivision Map as open space, (ii) is classified by the County Assessor as open space, (iii) has been irrevocably offered for dedication as open space to the federal government, the State, the County, the City, or any other public agency, or (iv) is encumbered by an easement or other restriction required by the City limiting the use of such property to open space.

"Property Owner's Association" means any property owner's association. As used in this definition, a Property Owner's Association includes any home-owner's association, condominium owner's association, master or sub-association or non-residential owner's association.

"Property Owner's Association Property" means any property within the boundaries of CFD No. 2024-1 which is (a) owned by a Property Owner's Association or (b) designated with specific boundaries and acreage on a Final Subdivision Map as property owner association property.

"Proportionately" means for Taxable Property that the ratio of the Special Tax levy to the Maximum Annual Special Tax is equal for all Assessors' Parcels of Taxable Property levied within each property land use classification within CFD No. 2024-1.

"Public Property" means any property within the boundaries of CFD No. 2024-1 which (i) is owned by a public agency, (ii) has been irrevocably offered for dedication to a public agency, or (iii) is designated with specific boundaries and Acreage on a Final Subdivision Map as property which will be owned by a public agency. For purposes of this definition, a public agency includes the federal government, the State, the County, the City, school districts, or any other public agency.

"Single Family Residential Detached Property" means all Assessor's Parcels of Developed Property for which a building permit(s) has been issued for a detached residential structure intended as a single primary Unit.

"Special Tax" means the amount levied in each Fiscal Year on each Assessor's Parcel of Taxable Property to fund the Annual Special Tax Requirement.

"State" means the State of California.

"Taxable Property" means all of the Assessor's Parcels within the boundaries of CFD No. 2024-1 that are not Exempt Property.

"Undeveloped Property" means all of the Assessor's Parcels within the boundaries of CFD No. 2024-1 that is not classified as Developed Property, Open Space Property, Property Owner's Association Property, or Public Property.

"Unit" means (i) for Single Family Residential Detached Property, an individual single family detached residential unit and (ii) for ADUs, each residential unit. The number of Units assigned to each Assessor's Parcel may be determined by (i) referencing Assessor's Data, (ii) site surveys and physical unit counts, and/or (iii) other research by the CFD Administrator.

"Welfare Exempt Property" means, in any Fiscal Year, all Parcels within the boundaries of CFD No. 2024-1 that (a) have been granted a welfare exemption by the County under subdivision (g) of Section 214 of the Revenue and Taxation Code indicated in the Assessor's Data finalized as of January 1 of the previous Fiscal Year, and (b) are exempt from the Special Tax pursuant to Section 53340(c) of the Act.

B. DETERMINATION OF TAXABLE PARCELS

Each Fiscal Year, the CFD Administrator shall determine the valid Assessor's Parcel Numbers for all Taxable Property within CFD No. 2024-1. If any Assessor's Parcel Numbers are no longer valid, the CFD Administrator shall determine the new Assessor's Parcel Number or Numbers in effect for the then-current Fiscal Year. To the extent a Parcel or Parcels of Taxable Property are subdivided, consolidated, or otherwise reconfigured, the Maximum Special Tax shall be assigned to the new Assessor's Parcels Numbers pursuant to Section C. The CFD Administrator shall also determine: (i) which Parcels are Taxable Property; (iii) the number of Units or Building Square Footage each Parcel contains; (iv) the property type, i.e., Single-Family Residential Detached Property, Accessory Dwelling Unit, or Mixed-Use Property; and (v) the Annual Special Tax Requirement for the Fiscal Year.

C. MAXIMUM ANNUAL SPECIAL TAX RATES

The Maximum Special Taxes for each Assessor's Parcel of Taxable Property shall be assigned below:

1. Maximum Special Taxes

The Maximum Special Tax for each Assessor's Parcel of Taxable Property shall be assigned according to Table 1 below:

TABLE 1 MAXIMUM SPECIAL TAX RATES FISCAL YEAR 2024/25*

Land Use Category	Maximum Special Tax Rate	Per
Single-Family Residential Detached Property	\$1,625.00	Unit
Accessory Dwelling Unit	See Below	Unit

Accessory Dwelling Unit

The Maximum Special Tax for an Accessory Dwelling Unit shall be calculated as a percentage of the Maximum Special Tax for the primary Unit the ADU is accessory to, based on Building Square Footage. For example, if a primary Single-Family Residential Detached Property Unit with 2,000 BSF has an ADU of 800 BSF, the Maximum Special Tax for the ADU shall be calculated by the following steps:

- 1. 800 BSF / 2,000 BSF = 0.40 or 40%
- 2. \$1,625.00 Maximum Special Tax per Unit x 40% = \$650.00 Maximum Special Tax for such ADU

*On July 1 of each Fiscal Year, commencing on July 1, 2025, the Maximum Special Tax rates shall be increased by the lesser of (i) the increase from the prior Fiscal Year, if any, in the Local Consumer Price Index (CPI) for the San Francisco-Oakland-Hayward Area for All Urban Consumers, or (ii) four percent (4%). The CPI used shall be as determined by the Bureau of Labor Statistics from April-to-April beginning with the period from April 2024 to April 2025.

In some instances, an Assessor's Parcel of Developed Property may be Mixed-Use Property. The Maximum Special Tax levied on an Assessor's Parcel shall be the sum of the Maximum Special Tax for all Units of each property type on that Assessor's Parcel.

2. Assignment of Assessor's Parcel(s) to Property Land Use Category

When an Assessor's Parcel changes from being classified as Undeveloped Property to another land use category and is considered Developed Property, that assignment shall not change due to future changes in land use.

3. Assignment of Maximum Special Tax to Newly Created Assessor's Parcel(s)

After a Final Subdivision Map has been recorded, if there are changes to the overall planned development within CFD No. 2024-1, the process for assigning the Maximum Special Tax to each

Assessor's Parcel expected to be classified as Single-Family Residential Detached Property is as follows:

Step 1: Determine the then-current total expected Maximum Special Tax for CFD No. 2024-1, by referencing Table 2.

Step 2: Identify the Assessor's Parcel(s) of Taxable Property expected to be classified as Single-Family Residential Detached Property and assign the Maximum Special Tax to each Assessor's Parcel of Taxable Property expected to be classified as Single-Family Residential Detached Property according to the then-current Maximum Special Tax Rates for such category. Sum the Maximum Special Tax assigned to each Assessor's Parcel of Taxable Property expected to be classified as Single-Family Residential Detached Property.

Step 3: Divide the total expected Maximum Special Tax in Step 1 by the total Maximum Special Tax assigned in Step 2 to arrive at a fraction.

Step 4: Apportion the total expected Maximum Special Tax from Step 1 to each Assessor's Parcel of Taxable Property expected to be classified as Single-Family Residential Detached Property by multiplying each Assessor's Parcel fraction, determined in Step 3, by the then-current Maximum Special Tax Rates for Single-Family Residential Detached Property.

Step 5: The Maximum Special Tax assigned to each Assessor's Parcel of Taxable Property expected to be classified as Single-Family Residential Detached Property shall be the greater of the Maximum Special Tax assigned in Step 2 or the Maximum Special Tax calculated in Step 4.

If there are no changes to the planned development within CFD No. 2024-1, the Maximum Special Tax shall be assigned according to Table 1.

The planned development is provided in the table below:

TABLE 2
PLANNED DEVELOPMENT AND TOTAL EXPECTED MAXIMUM SPECIAL TAX
FISCAL YEAR 2024/25*

		Total Expected
	Planned	Maximum
Land Use Category	Development	Special Tax
Single-Family Residential Detached Property	95 Units	\$154,375.00

*On July 1 of each Fiscal Year, commencing on July 1, 2025, the Maximum Special Tax rates shall be increased by the lesser of (i) the increase from the prior Fiscal Year, if any, in the Local Consumer Price Index (CPI) for the San Francisco-Oakland-Hayward Area for All Urban Consumers, or (ii) four percent (4%). The CPI used shall be as determined by the Bureau of Labor Statistics from April-to-April beginning with the period from April 2024 to April 2025.

Once created, if a newly created Assessor's Parcel(s) of Taxable Property further changes or subdivides, the above steps shall be repeated to determine the Maximum Special Tax for the

additional newly created Assessor's Parcel(s) of Taxable Property created from the change or subdivision.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAXES

All Taxable Property shall be subject to the Special Tax defined as follows. The Special Tax shall be levied each Fiscal Year by the CFD Administrator.

The Annual Special Tax Requirement shall be apportioned to each Parcel within CFD No. 2024-1 by the method shown below.

First: Determine the Annual Special Tax Requirement.

Second: Levy the Special Tax on each Parcel of Developed Property, Proportionately, up to the applicable Maximum Special Tax.

Under no circumstances will the Special Taxes on any Assessor's Parcel of Developed Property be increased by more than 10% as a consequence of delinquency or default by the owner of any other Assessor's Parcel within CFD No. 2024-1.

E. EXEMPTIONS

Notwithstanding any other provision of this Rate and Method of Apportionment of Special Tax, no Special Tax shall be levied on Open Space Property, Property Owner's Association Property, Undeveloped Property, Assessor's Parcels with public or utility easements making impractical their utilization for any use other than the purposes set forth in the easement, or Public Property, except as otherwise provided in Sections 53317.3, 53317.5 and 533401 of the Act.

No Special Tax shall be levied on any Assessor's Parcel in any Fiscal Year in which such Assessor's Parcel is classified as Welfare Exempt Property.

F. APPEAL OF SPECIAL TAX LEVY

Any property owner may file a written appeal of the Special Tax with the CFD Administrator claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Tax that is disputed, and the appellant must be current in all payments of the Special Tax. In addition, during the term of the appeal process, all Special Tax 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. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD Administrator's decision relative to the appeal, the owner may then file a written appeal with the City Council whose subsequent decision shall be final and binding on all interested parties. If the decision of the CFD Administrator or subsequent decision by the City Council requires the Special Tax to be modified or changed in favor of the property owner, then an adjustment shall be made to credit the Special Tax in future years.

This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

G. INTERPRETATIONS OF RATE AND METHOD OF APPORTIONMENT

The City reserves the right to make minor administrative and technical changes to this document that do not materially affect the rate and method of apportioning the Special Tax. In addition, the interpretation and application of any section of this document shall be at the City's discretion. Interpretations may be made by the City Council by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Tax.

H. MANNER AND DURATION OF SPECIAL TAX

The Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided that the City may directly bill the Special Tax, may collect the Special Tax at a different time or in a different manner if needed to meet the financial obligations of CFD No. 2024-1, and may collect delinquent Special Taxes through available methods.

A Special Tax shall be levied commencing in Fiscal Year 2024/25 to the extent necessary to satisfy the Annual Special Tax Requirement and shall be levied each Fiscal Year thereafter for as long as required to satisfy the Annual Special Tax Requirement. However, should Initiative #1935 be included as an initiative measure at election and subsequently be approved by voters, the duration of the Special Tax is 500 years.

I. PREPAYMENT OF SPECIAL TAX

The Special Tax may not be prepaid.

RESOLUTION NO. 24-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP CALLING SPECIAL ELECTION

CITY OF LATHROP Community Facilities District No. 2024-1 (Eagles Landing Services)

WHEREAS, this City Council has adopted a resolution entitled "Resolution of Formation of Community Facilities District" (the "Resolution of Formation"), ordering the formation of the "City of Lathrop Community Facilities District No. 2024-1 (Eagles Landing Services)" (the "CFD"), authorizing the levy of a special tax on property within the CFD and preliminarily establishing an appropriations limit for the CFD, all pursuant to the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with Section 53311, of the California Government Code (the "Act"); and

WHEREAS, pursuant to the provisions of the Resolution of Formation, the propositions of the levy of the special tax and the establishment of the appropriations limit shall be submitted to the qualified electors of the CFD as required by the provisions of the Act;

NOW, THEREFORE, IT IS HEREBY RESOLVED, as follows:

- 1. <u>Issues Submitted</u>. Pursuant to Sections 53326, 53351 and 53325.7 of the Act, the issues of the levy of the special tax and the establishment of the appropriations limit shall be submitted to the qualified electors (as defined below) of the CFD at an election called therefor as provided below.
- 2. Qualified Electors. This Council hereby finds that fewer than 12 persons have been registered to vote within the territory of the CFD for each of the 90 days preceding the close of the public hearings heretofore conducted and concluded by this Council for the purposes of these proceedings. Accordingly, and pursuant to Section 53326 of the Act, this Council finds that, for these proceedings, the qualified electors are the landowners within the CFD and that the vote shall be by such landowners or their authorized representatives, each having one vote for each acre or portion thereof such landowner owns in the CFD as of the close of the public hearings.
- 3. <u>Conduct of Election</u>. This Council hereby calls a special election to consider the measures described in section 1 above, which election shall be held on April 8, 2024 and the results thereof canvassed at the meeting of this Council on April 8, 2024. The City Clerk is hereby designated as the official to conduct the election and to receive all ballots until 7:00 p.m. on the election date. It is hereby acknowledged that the City Clerk has on file the Resolution of Formation, a certified map of the boundaries of the CFD, and a sufficient description to allow the City Clerk to determine the electors of the CFD. Pursuant to Section 53327 of the Act,

the election shall be conducted by messenger or mail-delivered ballot pursuant to Section 4000 of the California Elections Code. This Council hereby finds that paragraphs (a), (b), (c) (1) and (c)(3) of Section 4000 are applicable to this special election.

- 4. <u>Ballot</u>. As authorized by Section 53353.5 of the Act, the two propositions described in section 1 above shall be combined into a single ballot measure, substantially in the form attached hereto as Exhibit "A", which is hereby approved and by this reference incorporated herein. The City Clerk is hereby authorized and directed to cause a ballot, in substantially the form of Exhibit "A," to be delivered to each of the qualified electors of the CFD. Each ballot shall indicate the number of votes to be voted by the respective landowner to which the ballot pertains. Each ballot shall be accompanied by all supplies and written instructions necessary for the use and return of the ballot as appropriate under the Act.
- This Council hereby further finds that the provisions of Waivers. Section 53326 of the Act requiring a minimum of 90 days following the adoption of the Resolution of Formation to elapse before the special election are for the protection of the qualified electors of the CFD. There is on file with the City Clerk a written waiver executed by all of the qualified electors of the CFD allowing for a shortening of the time for the special election to expedite the process of formation of the CFD and waiving any requirement for notice, analysis and arguments and other requirements and formalities in connection with the election. Accordingly, this Council finds and determines that the qualified electors have requested formation of the CFD and have been fully apprised of the CFD, tax rates, uses of the tax and all other matters related to the CFD, and have agreed to the shortened time for the election and waiver of analysis and arguments, and have thereby been fully informed and protected in these proceedings. This Council also finds and determines that the City Clerk has concurred in the shortened time for the election. Analysis and arguments with respect to the ballot measures are hereby waived, as provided in Section 53327 of the Act.
- 6. Accountability. Under Sections 50075.1 and 53410 of the Government Code, the following accountability provisions shall apply to the special taxes: (a) the providing of Services and the incidental costs thereof, all as defined in the Resolution of Formation, shall constitute the specific single purpose; (b) the proceeds shall be applied only to the specific purposes identified in (a) above; (c) there shall be created special account(s) or funds(s) into which the proceeds shall be deposited; and (d) there shall be caused to be prepared an annual report as required by Sections 50075.3 of the Government Code.
 - 7. Effective Date. This Resolution shall take effect upon its adoption.

* * * * *

I hereby certify that the foreg adopted by the City Council of the Cit of April, 2024, by the following vote:	oing Resolution was regularly introduced and cy of Lathrop at a meeting held on the 8 th day
AYES:	
NOES:	
ABSENT:	
ABSTAIN:	
	Sonny Dhaliwal, Mayor
ATTEST:	APPROVED AS TO FORM:
Teresa Vargas, City Clerk	Salvador Navarrete, City Attorney

EXHIBIT A

CITY OF LATHROP Community Facilities District No. 2024-1 (Eagles Landing Services)

OFFICIAL BALLOT SPECIAL TAX ELECTION

This ballot is for a special, landowner election for a community facilities district. You must return this ballot in the enclosed postage paid envelope to the office of the City Clerk of the City of Lathrop no later than the hour of 7:00 p.m. on _______, 2024, either by mail or in person. The City Clerk's office is located at 390 Towne Centre Drive, Lathrop, CA 95330.

To vote, mark a cross (X) on the voting line after the word "YES" or after the word "NO". All marks otherwise made are forbidden. All distinguishing marks are forbidden and make the ballot void. If you wrongly mark, tear, or deface this ballot, return it to the City Clerk of the City of Lathrop and obtain another.

Shall the measure pursuant to which the City of Lathrop on behalf of its Community Facilities District No. 2024-1 (Eagles Landing Services) (the "CFD") will (i) levy a special tax within the CFD at rates of \$1,625/residential unit (with other property taxed at other rates) for 500 years, subject to annual escalation, in accordance with the rate and method of apportionment of special taxes for the CFD attached hereto, raising \$154,375 in Fiscal Year 2024-25 (assuming full build-out of the CFD), to pay for services in the listing attached hereto; and (ii) the annual appropriations limit of the CFD shall initially be \$3,000,000, subject to escalation, be adopted?

The undersigned is the authorized representative of the below-named landowner and is the person legally authorized and entitled to cast this ballot on behalf of the below-named landowner. By execution in the space provided below, the undersigned Landowner certifies that such owner has initiated, requested and/or reviewed all the CFD provisions and proceedings leading up to this election, including the list of authorized facilities, the bond indebtedness limit for the CFD, and the Rate and Method of Apportionment, which includes the tax rates and duration of the special tax to be placed on the Landowner's property. The undersigned has waived (i) the time limit pertaining to the conduct of the election, (ii) any requirement for analysis and arguments with respect to the ballot measure, and (iii) any irregularity in the proceedings that may be claimed as a result of the application of such waivers.

Further, the undersigned, on behalf of the below-named Landowner, hereby knowingly, voluntarily and intelligently waives any and all defects in any notice, ballot, or procedure related to the conduct of the election, whether known or unknown, including any requirements set forth in The Taxpayer Protection and Government Accountability Act, which is a constitutional initiative that has qualified for the November 2024 Statewide ballot (except the right to vote and to have the ballots fairly counted), and states that the election is being expedited at the particular instance and request of the Landowner.

By execution in the space provided below, you also indicate your waiver of (i) the time limit pertaining to the conduct of the election, (ii) any requirement for analysis and arguments with respect to the ballot measure, and (iii) any irregularity in the proceedings that may be claimed as a result of the application of such waivers.

Number of Votes:	
Property Owner:	

RESOLUTION NO. 24-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LATHROP DECLARING RESULTS OF SPECIAL ELECTION AND DIRECTING RECORDING OF NOTICE OF SPECIAL TAX LIEN

CITY OF LATHROP Community Facilities District No. 2024-1 (Eagles Landing Services)

WHEREAS, this City Council has adopted a resolution entitled "Resolution of Formation of Community Facilities District" (the "Resolution of Formation"), ordering the formation of the "City of Lathrop Community Facilities District No. 2024-1 (Eagles Landing Services)" (the "CFD"), authorizing the levy of a special tax on property within the CFD and preliminarily establishing an appropriations limit for the CFD, all pursuant to the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with Section 53311, of the California Government Code (the "Act"); and

WHEREAS, under the provisions of the Resolution of Formation and pursuant to a "Resolution Calling Special Election" (the "Election Resolution") heretofore adopted by this City Council the propositions of the levy of the special tax and the establishment of the appropriations limit were submitted to the qualified electors of the CFD as required by the provisions of the Act; and

WHEREAS, pursuant to the terms of the Election Resolution, which are by this reference incorporated herein, the special election has been held and the City Clerk has on file a Canvass and Statement of Results of Election, (the "Canvass") a copy of which is attached hereto as Exhibit A; and

WHEREAS, this City Council has reviewed the Canvass, finds it appropriate and wishes to complete its proceedings for the CFD.

NOW, THEREFORE, IT IS HEREBY RESOLVED as follows:

- 1. Recitals. The foregoing recitals are all true and correct.
- 2. <u>Issues Presented</u>. The issues presented at the special election were the levy of a special tax within the CFD and the approval of an annual appropriations limit of not to exceed \$3,000,000, all pursuant to the Resolution of Formation.
- 3. <u>Canvass and Issues Approved</u>. The Council hereby approves the Canvass and finds that it shall be a permanent part of the record of its proceedings for the CFD. Pursuant to the Canvass, the issues presented at the special election

were approved by the qualified electors of the CFD by more than two-thirds (2/3) of the votes cast at the special election.

- 4. <u>Proceedings Approved</u>. Pursuant to the voter approval, the CFD is hereby declared to be fully formed with the authority to levy the special taxes and to have the established appropriations limit, all as heretofore provided in these proceedings and in the Act. It is hereby found that all prior proceedings and actions taken by this City Council with respect to the CFD were valid and in conformity with the Act.
- 5. <u>Notice of Tax Lien</u>. The City Clerk is hereby directed to complete, execute and cause to be recorded in the office of the County Recorder of the County of San Joaquin a notice of special tax lien in the form required by the Act, such recording to occur no later than fifteen (15) days following adoption by the Council of this resolution.
 - 6. Effective Date. This Resolution shall take effect upon its adoption.

* * * * * *

I hereby certify that the foregoing F adopted by the City Council of the City of L of April, 2024, by the following vote:	Resolution was regularly introduced and athrop at a meeting held on the 8 th day
AYES:	
NOES:	
ABSENT:	
ABSTAIN:	
	Sonny Dhaliwal, Mayor
ATTEST:	APPROVED AS TO FORM:
	5
Teresa Vargas, City Clerk	Salvador Navarrete, City Attorney

CANVASS AND STATEMENT OF RESULT OF ELECTION

CITY OF LATHROP Community Facilities District No. 2024-1 (Eagles Landing Services)

I hereby certify that on April 8, 2024 I canvassed the returns of the election held on April 8, 2024 in the City of Lathrop Community Facilities District No. 2024-1 (Eagles Landing Services) and the total number of ballots cast in said District and the total number of votes cast for and against the measure are as follows and the totals as shown for and against the measure are full, true and correct:

	Qualified Landowner <u>Votes</u>	Votes <u>Cast</u>	<u>YES</u>	<u>NO</u>
City of Lathrop Community Facilities District No. 2024 (Eagles Landing Services) Special Tax Election, April 8, 2024	l-1 			
Shall the measure pure on behalf of its Commu (Eagles Landing Service special tax within the Counit (with other property years, subject to annuat the rate and method of a the CFD attached hereto 2024-25 (assuming full services in the listing attappropriations limit of \$3,000,000, subject to easy of, 2024.	nity Facilities Des) (the "CFD' FD at rates of ty taxed at other escalation, in apportionment of the eached hereto; of the CFD escalation, be ac	sistrict No. 2 ") will (i) lost special tax are cordance of special tax are cordance of cordance cord	024-1 evy a dential or 500 e with tes for I Year ay for annual y be	
	Ву:	City (`lerk	

ORDINANCE NO. 24-

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LATHROP LEVYING SPECIAL TAXES WITHIN CITY OF LATHROP COMMUNITY FACILITIES DISTRICT NO. 2024-1 (Eagles Landing Services)

WHEREAS, on February 12, 2024 this City Council (the "City Council") of the City of Lathrop (the "City"), adopted a resolution entitled "Resolution of Intention to Establish Community Facilities District " stating its intention to establish "City of Lathrop Community Facilities District No. 2024-1 (Eagles Landing Services)" (the "CFD") pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, sections 53311, et. seq., of the California Government Code (the "Act"), to finance certain public services (the "Services"); and

WHEREAS, notice was published as required by the Act relative to the intention of this City Council to form the CFD and to provide for the Services; and

WHEREAS, this City Council has held noticed public hearings as required by the Act relative to (i) the determination to proceed with the formation of the CFD and the rate and method of apportionment of the special tax to be levied within the CFD to finance the authorized Services for the CFD; and

WHEREAS, at said hearing all persons desiring to be heard on all matters pertaining to the formation of the CFD and the levy of said special taxes were heard, substantial evidence was presented and considered by this City Council and a full and fair hearing was held; and

WHEREAS, subsequent to the hearing, this City Council adopted resolutions entitled "Resolution of Formation of Community Facilities District" (the "Resolution of Formation") and "Resolution Calling Special Election", which resolutions defined the public Services to be financed by the CFD (the "Services"), established the CFD, authorized the levy of a special tax with the CFD and called an election within the CFD on the propositions of levying a special tax, and establishing an appropriations limit within the CFD, respectively; and

WHEREAS, on April 8, 2024 a special election was held within the CFD at which the eligible landowner-electors approved such propositions by the two-thirds vote required by the Act.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LATHROP, as follows:

Section 1. By the passage of this Ordinance this City Council hereby authorizes and levies special taxes within the CFD pursuant to the Act, at the rate and in accordance with the formula (the "Rate and Method") set forth in the Resolution of Formation, which Resolution of Formation is by this reference

incorporated herein. The special taxes are hereby levied commencing in fiscal year 2024-25 and in each fiscal year for the period provided in the Rate and Method, as contemplated by the Resolution of Formation, and all costs of administering the CFD.

- **Section 2.** The Finance Director of the City is hereby authorized and directed each fiscal year to determine the specific special tax rate and amount to be levied for the next ensuing fiscal year for each parcel of real property within the CFD, in the manner and as provided in the Resolution of Formation.
- **Section 3.** Properties or entities of the State, federal or local governments shall be exempt from any levy of the special taxes. In no event shall the special taxes be levied on any parcel within the CFD in excess of the maximum tax specified in the Resolution of Formation.
- **Section 4.** All of the collections of the special tax shall be used as provided for in the Act and in the Resolution of Formation including, but not limited to, the payment of the costs of the Services, the payment of the costs of the City in administering the CFD, and the costs of collecting and administering the special tax.
- **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 this City Council may provide for other appropriate methods of collection by resolutions of this City Council. In addition, the provisions of Section 53356.1 of the Act shall apply to delinquent special tax payments. The Finance Director of the City is hereby authorized and directed to provide all necessary information to the auditor/tax collector of the County of San Joaquin 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 San Joaquin for fiscal year 2024-25 and for each fiscal year thereafter for the period of time provided in the Rate and Method.
- **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 the CFD, by a court of competent jurisdiction, the balance of this Ordinance and the application of the special tax to the remaining parcels within the CFD shall not be affected.
- **Section 7.** The Mayor shall sign this Ordinance and the City Clerk shall cause the same to be published within fifteen (15) days after its passage at least once in a newspaper of general circulation published and circulated in the City.
- **Section 8.** This Ordinance shall take effect 30 days from the date of final passage.

* * * * * * * * * * *

THIS ORDINANCE was introduced at of the City of Lathrop on the 8 th day of ADOPTED at a regular meeting of the City day of, 2024, by the following	Council of the City of Lathrop on the
AYES:	
NOES:	
ABSTAIN:	
ABSENT:	
	Sonny Dhaliwal, Mayor
ATTEST:	APPROVED AS TO FORM:
	5
Teresa Vargas, City Clerk	Salvador Navarrete, City Attorney

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