

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
BOARD ACTION SUMMARY

DEPT: Board of Supervisors

BOARD AGENDA #: *A-3c

AGENDA DATE: June 28, 2016

SUBJECT:

Approval to Consolidate with the Presidential General Election to be Held on Tuesday, November 8, 2016, the Municipal Election and the Special Election Regarding the Formation of a Community Facilities District for the City of Newman

BOARD ACTION AS FOLLOWS:

No. 2016-322

On motion of Supervisor Withrow, Seconded by Supervisor Chiesa
and approved by the following vote,

Ayes: Supervisors: Chiesa, Withrow, DeMartini, and Vice-Chairman O'Brien

Noes: Supervisors: None

Excused or Absent: Supervisors: Chairman Monteith

Abstaining: Supervisor: None

1) Approved as recommended

2) Denied

3) Approved as amended

4) Other:

MOTION:

ATTEST: Elizabeth A King
ELIZABETH A KING, Clerk of the Board of Supervisors

File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
AGENDA ITEM**

DEPT: Board of Supervisors BOARD AGENDA #: *A-3c
Urgent Routine AGENDA DATE: June 28, 2016

GJK

CEO CONCURRENCE: _____ 4/5 Vote Required: Yes No

SUBJECT:

Approval to Consolidate with the Presidential General Election to be Held on Tuesday, November 8, 2016, the Municipal Election and the Special Election Regarding the Formation of a Community Facilities District for the City of Newman

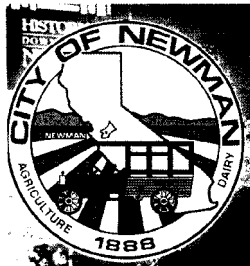
STAFF RECOMMENDATIONS:

1. Approve the consolidation of the Municipal Election and the Special Election regarding the formation of a Community Facilities District for the City of Newman with the Presidential General Election to be held on Tuesday, November 8, 2016.

CONTACT PERSON:

Elizabeth A. King, Clerk of the Board

Phone number: 209-525-4494



CITY OF NEWMAN



June 17, 2016

Elizabeth King, Clerk of the Board
Stanislaus County Board of Supervisors
1010 10th Street, Suite 6700
Modesto, CA 95354

Re: November 8, 2016 Presidential General Election

Dear Elizabeth:

On behalf of the City of Newman, please accept this letter as the City's formal request that the Board of Supervisors consolidate the City of Newman's November 8, 2016 Municipal Election with the County's Presidential General Election on the same date and conduct said election on behalf of the City, per Election Code §10002.

The Newman City Council at their June 14, 2016 regular meeting, adopted Resolution No. 2016-35, requesting that the Board of Supervisors Consolidate the November 8, 2016 City of Newman Municipal Election with the Presidential General Election to be held on the same date for the purpose of electing one (1) Mayor for the full term of two (2) years, two (2) Members of the City Council for the full term of four (4) years and one (1) Treasurer for the full term of four (4) years.

At their June 14, 2016 Regular Meeting, the Newman City Council also adopted Resolution No. 2016-43, calling a special election for the purposes of submitting to the qualified voters a ballot measure forming the City of Newman Community Facilities District 2016-1 to finance the construction of a community pool and splash pad, requesting consolidation thereof with the statewide election to be held on the same date, and requesting the Stanislaus County Board Of Supervisors issue instructions to the Election Official to take any and all steps necessary for the holding of the consolidated election.

Enclosed, please find certified copies of both aforementioned resolutions. Resolution No. 2016-43, contains the text of the proposed ballot measure to be submitted to the voters.

Please also find the following additional attachments:

1. Resolution No. 2016-39, Establishing The Formation Of A Community Facilities District
2. Resolution No. 2016-40, Determining Necessity To Incur Bonded Indebtedness
3. Certified Copy Of The Map Of The Boundaries Of The District, As Filed In The Office Of The Recorder Of The County.
4. Ballot Measure Impartial Analysis - A copy of the City Attorney's Impartial Analysis.

The City of Newman appreciates the ongoing cooperation of Stanislaus County. Should you require additional information or have any questions, please contact me.

Sincerely,

Mike Maier
Mike Maier

City Clerk

mmaier@cityofnewman.com

cc: Lee Lundrigan, Stanislaus County Clerk-Recorder

2016 JUN 21 P 2:10
BOARD OF SUPERVISORS

RESOLUTION NO. 2016-35

A RESOLUTION REQUESTING THAT THE BOARD OF SUPERVISORS OF STANISLAUS COUNTY CONSOLIDATE THE NOVEMBER 8, 2016 CITY OF NEWMAN MUNICIPAL ELECTION WITH THE PRESIDENTIAL GENERAL ELECTION TO BE HELD ON THE SAME DATE

WHEREAS, under the provisions of the laws relating to general law cities in the State of California, a General Municipal Election shall be held on November 8, 2016, for the election of Municipal Officers.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NEWMAN, CALIFORNIA, DOES RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. That pursuant to the requirements of the laws of the State of California relating to General Law Cities, there is called and ordered to be held in the City of Newman, California, on Tuesday, November 8, 2016, a General Municipal Election for the purpose of electing a Mayor for the full term of two (2) years, two (2) Members of the City Council for the full term of four (4) years and a Treasurer for the full term of four (4) years.

Section 2. That the City Council of the City of Newman hereby requests that the Board of Supervisors of Stanislaus County, California, order the consolidation of the City of Newman Municipal Election to be held on November 8, 2016 with the Presidential General Election to be held on the same date.

Section 3. That the ballots to be used at the election shall be in form and content as required by law.

Section 4. That the City Clerk is authorized, instructed and directed to coordinate with the County of Stanislaus Registrar-Recorder/County Clerk to procure and furnish any and all official ballots, notices, printed matter and all supplies, equipment and paraphernalia that may be necessary in order to properly and lawfully conduct the election.

Section 5. That the polls for the election shall be open at seven o'clock a.m. the day of the election and shall remain open continuously from that time until eight o'clock p.m. of the same day when the polls shall be closed, pursuant to Election Code §10242, except as provided in §14401 of the Elections Code of the State of California.

Section 6. That in all particulars not recited in this resolution, the election shall be held and conducted as provided by law for holding municipal elections.

Section 7. That notice of the time and place of holding the election is given and the City Clerk is authorized, instructed and directed to give further or additional notice of the election, in time, form and manner as required by law.

Section 8. The City Council authorizes the City Clerk to administer said election and all reasonable and actual election expenses shall be paid by the City upon presentation of a properly submitted bill.

The foregoing resolution was introduced at a regular meeting of the City Council of the City of Newman held on the 14th day of June, 2016 by Council Member Graham, who moved its adoption, which motion was duly seconded and it was upon roll call vote adopted.

AYES: Graham, Candea, Day and Mayor Martina.

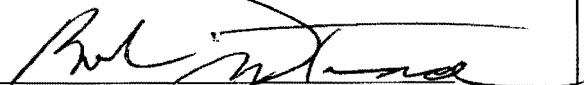
NOES: None.

ABSENT: Davis.

ATTEST:


City Clerk of the City of Newman

APPROVED:


Mayor of the City of Newman

RESOLUTION NO. 2016-43

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEWMAN, CALIFORNIA
CALLING A SPECIAL ELECTION TO BE HELD ON NOVEMBER 8, 2016, WITH THE
PRESIDENTIAL GENERAL ELECTION TO BE HELD ON THE SAME DATE PURSUANT
TO §10403 OF THE ELECTIONS CODE.**

**CITY OF NEWMAN
COMMUNITY FACILITIES DISTRICT NO. 2016-1
(COMMUNITY POOL)**

WHEREAS, the Newman City Council (“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 Newman, Community Facilities District No. 2016-1 (Community Pool)” (the “District”), authorizing the levy of a special tax on property within the District and establishing an appropriations limit for the District, pursuant to the Mello-Roos Community Facilities Act of 1982, codified in California Government Code section 53311 *et seq.* (the “Act”), for the purpose of financing the cost of construction of a community pool complex and appurtenances (the “Facilities”), maintenance thereof, and related services, as further provided in the Resolution of Formation; and

WHEREAS, the City Council has also adopted a Resolution entitled “Resolution Determining the Necessity to Incur Bonded and Other Indebtedness” (the “Resolution Determining Necessity”), determining the necessity to incur bonded indebtedness and other debt, as defined in the Act, in the maximum aggregate principal amount of \$6,500,000 upon the security of the special tax to be levied within the District pursuant to the Act; and

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

WHEREAS, the City Council desires a Special Municipal Election be held on November 8, 2016; and

WHEREAS, it is desirable that the Special Municipal Election be consolidated with the Presidential General Election to be held on the same date and that within the city, the precincts, polling places and election officers of the two elections be the same, and that Stanislaus County canvass the returns of the Special Municipal Election and that the election be held in all respects as if there were only one election.

NOW, THEREFORE, the City Council of the City of Newman, DOES HEREBY RESOLVE as follows:

1. The foregoing recitals are true and correct.
2. Pursuant to the Act, the issues of the levy of the special tax, the incurrence of indebtedness and the establishment of the appropriations limit shall be submitted to the qualified electors (as defined below) of the District at an election called therefor as provided below: (i) levy of the special tax, (ii) incurring of bonded indebtedness and (iii) establishment of the appropriations limit.
3. Under the Act, the propositions described above in section 2 shall be submitted to the voters of the District at an election called therefor as hereinafter provided. The ballot measure to be voted upon by the voters must be approved by two-thirds of the votes cast and shall be the following:

BALLOT MEASURE:

To finance construction of community pool and splash pad, creating access to quality recreational opportunities for children, youth, adults, and seniors, including swimming lessons, water safety classes, and health and fitness programs; shall City of Newman Community Facilities District 2016-1 incur indebtedness not exceeding \$6,500,000, levy a special tax annually on taxable parcels (described in Resolution 2016-25), with discounts for low-income seniors, requiring audits, no increases to tax rate and establishing appropriations limit for Fiscal Year 2017/18 at \$750,000?

YES: _____

NO: _____

4. This City Council finds that more than 12 persons have been registered to vote within the District for each of the 90 days preceding the close of the hearing heretofore conducted and concluded by this City Council for the purposes of these formation proceedings. Accordingly, and pursuant to the Act, this City Council finds that for purposes of these proceedings the qualified electors are the registered voters within the District and that the vote shall be by said registered voters within the District, with each voter having one vote.

5. This City Council hereby calls a special election to consider the issues described in Section 2 above, which shall be held on November 8, 2016 (the "Election Day"), during which the polls shall be open between the hours of 7:00 a.m. and 8:00 p.m., inclusive.

6. Pursuant to the requirements of §10403 of the Elections Code, the Board of Supervisors of the County of Stanislaus is hereby requested to consent and agree to the consolidation of a Special Municipal Election with the Presidential General Election on Tuesday, November 8, 2016. The official of the County responsible for the conduct of elections (the "Election Official") is hereby designated as the official to conduct said election. The Board of Supervisors of the County and the Election Official are hereby requested to provide such services as may be necessary to properly and lawfully hold and conduct the special election pursuant to the provisions hereof and applicable provisions of the California Elections Code, including coordination with all appropriate election officials in the County, and the consolidation of said special election with other elections being held on the Election Day.

7. Pursuant to section 53326 of the Act, and within three business days of the adoption of the Resolution of Formation, but in no event later than the date specified by the Election Official for receipt, the City Clerk shall cause to be provided to the Election Official a certified copy of the Resolution of Formation, the Resolution Determining Necessity, and this Resolution Calling Special Election, together with a certified copy of the map of the boundaries of the District, as filed in the Office of the Recorder of the County. The City Clerk is hereby authorized and directed to enter into an agreement with the Election Official for the services of such official and to provide for the reimbursement by the City of the costs of the Election Official in conducting the election. The City Clerk and all the members of the City Council and officers of the City, and their designees, are hereby authorized and directed to execute and deliver any documents and to perform all acts necessary to place the measure on the ballot including making any revisions, correction or alternations to the language of the ballot measure to comply with requirements of law and Election Official and to ensure that the applicable requirements of the Elections Code are met, including without limitation the preparation and provision to the voters of all documents and instructions required by and specified in the Elections Code.

8. Under Section 50075.1 of the Government Code, the following accountability provisions shall apply to the special taxes:

(a) the Facilities and Services and the incidental costs thereof, all as defined in the Resolution of Formation, shall constitute the specific single purpose;

(b) the proceeds of special taxes shall be applied only to the specific purposes identified in (a) above;

(c) there shall be created one or more special accounts or funds into which the proceeds of special taxes shall be deposited; and

(d) there shall be caused to be prepared an annual report if required by Section 50075.3 of the Government Code

9. The Board of Supervisors is requested to issue instructions to the Election Official to take any and all steps necessary for the holding of the consolidated election.

10. Arguments in favor or against the above ballot measure shall be filed with the City Elections Official before 5:00 p.m. on July 12, 2016, after which no arguments for or against the City measure may be submitted to the City Elections Official.

11. As provided in Elections Code section 9282, the City Council, or any member or members of the City Council authorized by the City Council, or any individual voter who is eligible to vote, or bona fide association of citizens, or any combination of voters and associations, may file a written argument in favor of or against the proposed ballot measure. Each argument in favor of or against the measure shall not exceed 300 words and shall not exceed five (5) authors. If more than one argument is submitted in favor of or against the ballot measure by the above date and time, the City Elections Official shall give preference and priority to those arguments in the manner provided by Elections Code section 9287.

12. Rebuttal arguments, if any, shall be filed with the City Elections Official before 5:00 p.m. on July 19, 2016, and shall not exceed 250 words in length.

13. In accordance with Elections Code section 9280, the City Elections Official is hereby directed to transmit a copy of the ballot measure to the City Attorney, who shall prepare an impartial analysis of the measure, not to exceed 500 words in length, showing the effect of the measure on the existing law. The City Attorney is instructed to provide the impartial analysis by June 23, 2016.

14. The Board of Supervisors is further requested to order the Election Official or other such authorized person or department to set forth the full text of the ballot measure in the voter information portion of all sample ballots to be mailed to the qualified electors of the City, and to mail printed copies of the full text of the ballot measure with the sample ballots to be mailed to the qualified electors, together with the arguments and rebuttal arguments (if any) for and against the measure.

15. The City Clerk is hereby directed to file a certified copy of this Resolution with the Board of Supervisors prior to June 24, 2016.

The foregoing resolution was introduced at a regular meeting of the City Council of the City of Newman held on the 14th day of June, 2016 by Council Member Graham, who moved its adoption, which motion was duly seconded and it was upon roll call carried and the resolution adopted by the following roll call vote:

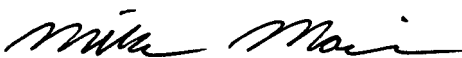
AYES: Graham, Candea, Day and Mayor Martina.
NOES: None.
ABSENT: Davis.
ABSTAIN: None.

APPROVED:



Bob Martina
Mayor

ATTEST:



Mike Maier
City Clerk

RESOLUTION NO. 2016-39

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEWMAN, CALIFORNIA,
ESTABLISHING THE FORMATION OF A COMMUNITY FACILITIES DISTRICT**

**CITY OF NEWMAN
COMMUNITY FACILITIES DISTRICT NO. 2016-1
(COMMUNITY POOL)**

WHEREAS, on April 16, 2016, this City Council (the "City Council") of the City of Newman (the "City") adopted Resolution No. 2016-25 entitled "A Resolution of the City Council of the City of Newman, California, Declaring its Intention to Establish a Community Facilities District and to Authorize the Levy of Special Taxes" (the "Resolution of Intention"), stating its intention to form the City of Newman, Community Facilities District No. 2016-1 (Community Pool) (the "District"), of the City pursuant to the Mello-Roos Community Facilities Act of 1982 (California Government Code Section 53311 *et. Seq.*, hereafter referred to as the "Act"); and

WHEREAS, the Resolution of Intention, incorporating a map of the proposed boundaries of the District and stating the Facilities and Services to be provided, the estimated cost of providing such Facilities and Services as defined in Exhibit A (the "Facilities and Services"), and the Rate and Method of Apportionment of the Special Tax to be levied within the District to pay for the Facilities and Services, are on file with the City Clerk and the provisions thereof are incorporated by this reference as if fully set forth herein; and

WHEREAS, under the Resolution of Intention, the Finance Director was directed to make, or cause to be made, and file with the City Clerk a report (the "District Report") in writing, presenting the Facilities and Services to be provided and an estimate of the reasonable cost of providing the Facilities and Services. The District Report was prepared and submitted to the City Clerk prior to the public hearing described below; and

WHEREAS, the Resolution of Intention called for a public hearing pertaining to the formation of the District and the levy of said special tax to be held on June 14, 2016, at 7:00 p.m. at the meeting place of the City Council; and

WHEREAS, under the Resolution of Intention, the City Clerk was directed to cause notice of said public hearing to be given by publication one time in a newspaper published in the area of the District, and the City Clerk caused the publication of such notice at least seven (7) days before the date set for said public hearing; 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 District; and

WHEREAS, the City Council adopted Resolution 2016-26 declaring its intention to incur bonded indebtedness, estimating the amount required for the financing of the costs of the Facilities in the territory of the District to be the sum of an amount not to exceed \$6,500,000 (the "Bond Authorization"); and

WHEREAS, the City presently contemplates a loan from the County of Stanislaus (the "County") in an amount not to exceed the Bond Authorization; and

WHEREAS, if the City is unable to obtain a loan from the County or other entity, in order to finance the costs of the Facilities it may be necessary to incur bonded indebtedness in an amount not to exceed \$6,500,000 on behalf of the District; and

WHEREAS, it is in the public interest and for the public benefit that the City declares its official intent to finance the Facilities with bonded indebtedness referenced herein in the event the City is unable to obtain a loan from the County or other entity; and

WHEREAS, at the public hearing all interested persons desiring to be heard on all matters pertaining to the formation of the District, the Facilities and Services to be provided therein and the levy of such special taxes were heard and a full and fair public hearing was held; and

WHEREAS, written protests with respect to the formation of the District, the furnishing of specified types of Facilities and Services and the Rate and Method of Apportionment of the Special Tax have not been filed with the City Clerk by fifty percent (50%) or more of the registered voters residing within the territory of the District or property owners of one-half (1/2) or more of the area of land within the District and not exempt from the proposed special taxes; and

WHEREAS, the special tax proposed to be levied in the District to pay for the proposed Facilities and Services has not been eliminated by protest by fifty percent (50%) or more of the registered voters residing within the territory of the District or the owners of one-half (1/2) or more of the area of land within the District and not exempt from the special taxes; and

NOW, THEREFORE, the City Council of the City of Newman, DOES HEREBY RESOLVE as follows:

1. The foregoing recitals are true and correct.
2. The proposed special tax to be levied within the District has not been precluded by majority protest pursuant to Section 53324 of the Act.
3. All prior proceedings taken by the City Council in connection with the establishment of the District 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 requirements of the Act. The City Council has heretofore adopted Local Goals and Policies for Community Facilities Districts, and the City Council hereby finds and determines that the District is in conformity with said goals and policies.
4. The community facilities district designated as the "City of Newman, Community Facilities District No. 2016-1 (Community Pool)" of the City is hereby established pursuant to the Act.
5. The District Report is hereby approved.
6. The boundaries of the District, as set forth in the map entitled "Map of Proposed Boundaries City of Newman, Community Facilities District No. 2016-1 (Community Pool), City of Newman, County of Stanislaus, State of California" heretofore recorded in the Stanislaus County Recorder's Office on May 4, 2016, in Book 5 at Page 48 as Document 2016-0032804-00 of Maps of Assessment and Community Facilities Districts, are hereby approved, are incorporated herein by reference and shall be the boundaries of the District.
7. The type of Facilities and Services proposed to be funded by the District and pursuant to the Act shall consist of those items shown in Exhibit A hereto and by this reference incorporated herein. It is hereby found and determined that the Facilities and Services are necessary to meet the increased demands as the result of development occurring in the District.
8. Except to the extent that funds are otherwise available to the District to pay for the Facilities and Services, a Special Tax sufficient to pay the costs thereof, secured by the recordation of a continuing lien against all non-exempt real property in the District, will be levied annually within the District pursuant to the Rate and Method of Apportionment of the Special Tax, and collected in the same manner as ordinary ad valorem property taxes or in such other manner as the City Council or its designee shall determine, including direct billing of the affected landowners. In the case of the Special Tax when it is levied on any parcel used for private residential purposes to pay for the Facilities, the Special Tax shall not be levied in the District after the final tax year specified in the Rate and Method of Apportionment of the Special Tax, except that a Special Tax that was lawfully levied in or before the final tax year and that remains delinquent may be collected in subsequent years. Under no circumstances shall the Special Tax levied against any parcel in the District to pay for the Facilities and used for private residential purposes be increased as a consequence of delinquency or default by the owner of any other parcel or parcels within the District by more than 10% above the amount that would have been levied in that fiscal year had there never been any such delinquencies or defaults.

9. The Rate and Method of Apportionment of the Special Tax among the parcels of real property within the District, in sufficient detail to allow each landowner within the District to estimate the maximum amount such owner will have to pay, is shown in Exhibit B attached hereto and hereby incorporated herein.

10. The Finance Director of the City, 938 Fresno Street, City of Newman, California, 95360, telephone number (209) 862-3725, is the officer of the City who will be responsible for preparing annually a current roll of the levy of the special tax obligations by assessor's parcel number and who will be responsible for estimating future levies of the special tax.

11. Upon recordation of a notice of Special Tax lien pursuant to Section 3114.5 of the California Streets and Highways Code, a continuing lien to secure each levy of the Special Tax shall attach to all nonexempt real property in the District and this lien shall continue in force and effect until the collection of the special tax by the City ceases.

12. 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 District is hereby preliminarily established at \$750,000 and such appropriations limit shall be submitted to the voters of the District as hereafter provided. The proposition establishing such 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 and the California Constitution.

13. Under 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 District at an election. The time, place and conditions of the election shall be as specified by a separate resolution of this Council.

14. This Resolution shall take effect upon its adoption.

The foregoing resolution was introduced at a regular meeting of the City Council of the City of Newman held on the 14th day of June, 2016 by Council Member Candea, who moved its adoption, which motion was duly seconded and it was upon roll call carried and the resolution adopted by the following roll call vote:

AYES: Graham, Candea, Day and Mayor Martina.
NOES: None.
ABSENT: Davis.
ABSTAIN: None.

APPROVED:



Bob Martina
Mayor

ATTEST:



Mike Maier
City Clerk

EXHIBIT A

CITY OF NEWMAN
COMMUNITY FACILITIES DISTRICT NO. 2016-1
(COMMUNITY POOL)

DESCRIPTION OF FACILITIES AND SERVICES TO BE
FINANCED BY THE DISTRICT

The District is authorized to fund all or a portion of the cost of construction, acquisition and financing of a public aquatic facility project within the City, including but not limited to a swimming pool or pools and related equipment, changing rooms, rest rooms, bathhouse, splash pad, equipment building, and any and all on-site improvements and facilities related to the use and operation of the project.

The District is also authorized to fund all or any portion of the cost of maintenance services and operation of the facilities and project described in the preceding paragraph, including but not limited to maintaining equipment, apparatuses, facilities and fixtures in and around the facilities or used to maintain the facilities; paying the salaries and benefits of personnel necessary or convenient to provide project services; reimbursements to the City for the cost of plans, specifications, approvals and/or work conducted prior to District formation; payment of insurance costs and other related expenses; and the provision of reserves for repairs, replacements, and for the future provision of maintenance services, whether provided by the City's own employees or by contract with third parties, or any combination thereof. The District is further authorized to fund administrative fees of the City related to the District and any debt service payments associated with the issuance of debt used to finance the Facilities and Services referenced herein.

EXHIBIT B

**CITY OF NEWMAN
COMMUNITY FACILITIES DISTRICT NO. 2016-1
(COMMUNITY POOL)**

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

**RATE AND METHOD OF APPORTIONMENT
FOR CITY OF NEWMAN
COMMUNITY FACILITIES DISTRICT NO. 2016-1
(COMMUNITY POOL)**

A Special Tax as hereinafter defined shall be levied on each Assessor's Parcel of Taxable Property within the City of Newman Community Facilities District No. 2016-1 (Community Pool) ("CFD No. 2016-1") and collected each Fiscal Year commencing in Fiscal Year 2017-2018 in an amount determined by the City Council through the application of the appropriate Special Tax for Taxable Property as described below. All of the real property in CFD No. 2016-1, unless exempted by law or by the provisions hereof, shall be taxed for purposes of CFD No. 2016-1, to the extent and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meaning:

"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 reasonably estimated costs directly related to the administration of CFD No. 2016-1 including, but not limited to, the following: the costs of computing the Special Tax and preparing the annual Special Tax collection schedules (whether by the City, the CFD Administrator, or both); the costs of collecting the Special Taxes (whether by the County, the City, or otherwise); the costs to the City, CFD No. 2016-1, or any designee thereof of complying with disclosure requirements; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; and the costs of the City, CFD No. 2016-1, or any designee thereof related to any appeal of the levy or application of the Special Tax. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 2016-1 for any other administrative purposes, including, but not limited to, attorney's fees.

"Agricultural Property" means all Assessor's Parcels of property used for farming or agricultural purposes.

"Assessor's Parcel" means a lot or parcel shown on an Assessor's Parcel Map with an assigned Assessor's Parcel number.

"Assessor's Parcel Map" means an official map of the Stanislaus County Assessor of the County designating parcels by an Assessor's parcel number.

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

"CFD No. 2016-1" or **"CFD"** means the City of Newman Community Facilities District No. 2016-1 (Community Pool).

"CFD No. 2016-1 Debt Service" means the repayment of debt associated with the issuance of any bonds, loan agreement or other debt (as defined in Section 53317(d) of the Act), whether in one or more series, issued by the City for CFD No. 2016-1 under the Act.

"City" means the City of Newman.

"City Council" means the City Council of the City, acting as the legislative body of CFD No. 2016-1.

"County" means the County of Stanislaus.

“Exempt Property” means all Assessor’s Parcels that are exempt from the Special Tax pursuant to Section E.

“Facilities” means the facilities authorized to be funded by CFD No. 2016-1 as described in the proceedings for formation of CFD No. 2016-1,

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

“Low Income Household” means a household in the City that meets the Low Income limit of eighty percent (80%) of the Area Median Income (AMI) or lower for Stanislaus County, as determined annually by the California Department of Housing and Community Development.

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

“Multi-Family Property” means all Assessor’s Parcels of Taxable Property for which a map has been recorded designating Residential Lots for the purpose of developing Multi-Family Units.

“Multi-Family Unit(s)” means attached residential dwelling units included in, but not limited to, duplexes, triplexes, townhomes, condominiums, and apartment units.

“Other Property” means all Assessor’s Parcels of Taxable Property, whether developed or undeveloped, for which a map has been recorded designating the Assessor’s Parcel as a lot and cannot be classified as Single-Family Residential Property or Multi-Family Residential Property.

“Proportionately” means for Taxable Property that the ratio of the Special Tax levy to the Maximum Annual Special Tax is equal for all Assessor’s Parcels of Taxable Property within CFD No. 2016-1.

“Public Property” means any property within the boundaries of CFD No. 2016-1 that is (i) used for parks, schools, drainage and detention easements, rights-of-way or any other public purpose and is owned by or irrevocably offered for dedication to the federal government, the State of California, the County, the City or any other public agency or (ii) encumbered by an unmanned utility easement making impractical its utilization for purposes other than the purpose set forth in the easement, provided, however, that any property leased by a public agency to a private entity and subject to taxation under the Act shall be taxed and classified in accordance with its use.

“Residential Lot(s)” means an individual lot of land for which a building permit could be issued to construct one or more residential dwelling units.

“Senior Citizen” means a person 65 years of age or older residing within the City.

“Services” means the maintenance and operation services authorized to be funded by CFD No. 2016-1 as described in the proceedings for formation of CFD No. 2016-1.

“Single-Family Property” means all Assessor’s Parcels of Taxable Property for which a map has been recorded designating Residential Lots for the purpose of developing a single-family dwelling unit.

“Special Tax” means the annual special tax to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property to fund the Special Tax Requirement.

“Special Tax Requirement” means that amount of Special Tax revenue required in any Fiscal Year for CFD No. 2016-1 to: (a) pay directly for the Facilities and Services; (b) pay CFD No. 2016-1 Debt Service; (c) pay Administrative Expenses; (d) pay any amounts required to establish or replenish any

repair and contingency funds, capital improvement funds, or reserve funds for CFD No. 2016-1; (e) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year; and (f) a credit for funds available to reduce the annual Special Tax levy, as determined by the CFD Administrator.

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

“**Taxable Property**” means all of the Assessor’s Parcels within the boundaries of CFD No. 2016-1 that are not exempt from the Special Tax pursuant to law or Section E below.

B. ASSIGNMENT TO LAND USE CATEGORIES

On, or around, July 1 of each Fiscal Year, all Assessor’s Parcels of Taxable Property within CFD No. 2016-1 shall be classified as Single-Family Residential Property, Multi-Family Residential Property or Other Non-Residential Property and shall be subject to the levy of annual Special Taxes determined pursuant to Sections C and D below.

C. MAXIMUM ANNUAL SPECIAL TAX

The Maximum Annual Special Tax for each Assessor’s Parcel of Taxable Property shall be assigned according to the table below:

Property Land Use	Maximum Special Tax Amount
Single-Family Property	\$148.00 per Residential Lot
Multi-Family Property	\$96.20 per Multi-Family Unit
Other Property	\$148.00 per Assessor’s Parcel

The Maximum Annual Special Tax is not subject to an annual increase. Under no circumstances shall the Special Tax levied in any fiscal year against any parcel used for private residential purposes be increased as a consequence of delinquency or default by the owner or owners of any other parcel or parcels within the CFD by more than 10 percent (10%) above the amount that would have been levied in that fiscal year had there never been any such delinquencies or defaults.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing with Fiscal Year 2017-2018 and for each following Fiscal Year, the CFD Administrator shall determine the Special Tax Requirement and the City shall levy the Special Tax until the amount of Special Taxes equal the Special Tax Requirement. The Special Tax shall be levied each Fiscal Year Proportionately on each Assessor’s Parcel of Taxable Property at up to one hundred percent (100%) of the applicable Maximum Special Tax.

E. EXEMPTIONS

The CFD Administrator shall classify the following as Exempt Property: (a) Public Property; (b) Agricultural Property; and (c) Assessor's Parcels with public or utility easements making impractical their utilization for any use other than the purposes set forth in the easement.

If the use of an Assessor's Parcel of Exempt Property changes so that such Assessor's Parcel is no longer classified as one of the uses set forth above that would make such Assessor's Parcel eligible to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property.

F. SENIOR DISCOUNT

Senior Citizens that qualify as a Low Income Household shall be eligible for a fifty percent (50%) reduction of the Special Tax if they own and reside in a Single Family Property or Multi-Family Property within the CFD. Eligible Senior Citizens meeting the criteria to qualify for the reduction shall complete and submit annually to the City a Special Tax Reduction Claim Form. The Special Tax Reduction Claim Form must be submitted on an annual basis and no later than June 30 of each tax year.

G. SPECIAL TAX REVIEW/APPEAL

Any landowner or resident who feels that the amount of the Special Tax levied on their Assessor's Parcel is in error shall first consult with the CFD Administrator regarding such error. If following such consultation, the CFD Administrator determines that an error has occurred; the CFD Administrator may amend the amount of the Special Tax levied on such Assessor's Parcel. If following such consultation and action (if any by the CFD Administrator), the landowner or resident believes such error still exists, such person may file a written notice with the City appealing the amount of the Special Tax levied on such Assessor's Parcel. Upon the receipt of any such notice, the City may establish such procedures, as it deems necessary to undertake the review of any such appeal. The review/appeal shall interpret this Rate and Method of Apportionment and make determinations relative to the annual administration of the Special Tax and any landowner or resident appeals, as herein specified. The decision of the City shall be final and binding as to all persons.

H. INTERPRETATION OF SPECIAL TAX FORMULA

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

I. MANNER OF COLLECTION

The annual Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that the City may directly bill the Special Taxes, and may collect Special Taxes at a different time or in a different manner as necessary to meet its financial obligations.

J. PREPAYMENT OF SPECIAL TAX

The Special Tax may not be prepaid.

K. TERM OF SPECIAL TAX

The Special Tax shall be levied for a period of thirty (30) years, commencing in Fiscal Year 2017-2018, and shall not be levied after Fiscal Year 2047-2048, except that a Special Tax that was lawfully levied in or before Fiscal Year 2047-2048 and that remains delinquent may be collected in subsequent years.

RESOLUTION NO. 2016-40

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEWMAN, CALIFORNIA
DETERMINING NECESSITY TO INCUR BONDED INDEBTEDNESS**

**CITY OF NEWMAN
COMMUNITY FACILITIES DISTRICT NO. 2016-1
(COMMUNITY POOL)**

WHEREAS, on April 26, 2016, this City Council ("City Council") of the City of Newman (the "City") pursuant to the Mello-Roos Community Facilities Act of 1982 (California Government Code section 53311 *et. seq.*, hereinafter referred to as the "Act") adopted its "Resolution of Intention to Establish Community Facilities District" (the "Resolution of Intention"), stating its intention to form "Community Facilities District No. 2016-1 (Community Pool)" (the "District") for the purpose of financing the cost of construction of a community pool complex and appurtenances (the "Facilities"), maintenance thereof, and related services, as further provided in the Resolution of Intention; and

WHEREAS, on April 26, 2016, this City Council also adopted a "Resolution Declaring Intention to Incur Bonded Indebtedness" (the "Resolution of Intention to Incur Indebtedness") stating its intention to incur bonded indebtedness within the boundaries of the District for the purpose of financing the costs of certain facilities specified in the Resolution of Intention;

WHEREAS, this City Council has held a duly noticed public hearing as required by the Act about the determination to proceed with the formation of the District, the provision of certain public facilities and public services by the District and the rate and method of apportionment of the special tax to be levied within the District to pay the cost of the Facilities and the services, the principal and interest on the proposed bonded indebtedness in the District and the administrative costs of the City relative to the District;

WHEREAS, subsequent to the public hearing, this City Council adopted a resolution entitled "Resolution of Formation of Community Facilities District" (the "Resolution of Formation");

WHEREAS, this City Council has also held a noticed public hearing as required by the Act relative to the matters material to the questions set forth in the Resolution of Intention to Incur Indebtedness; and

WHEREAS, no written protests with respect to the matters material to the questions set forth in the Resolution of Intention to Incur Indebtedness have been filed with the City Clerk.

NOW, THEREFORE, the City Council of the City of Newman, DOES HEREBY RESOLVE as follows:

1. The foregoing recitals are true and correct.
2. In order to finance the costs of the Facilities, the City deems it necessary to authorize bonds for the District and the City intends, in the City's sole discretion, to incur bonded indebtedness for the District in an amount not to exceed \$6,500,000 (the "Bond Authorization"), including, but not limited to, the costs of issuing and selling bonds to finance all or a portion of the Facilities and the costs of the City in establishing and administering the District.
3. The whole of the District shall pay for the bonded indebtedness through the levy of the special tax. The tax is to be apportioned in accordance with the formula set forth in Exhibit "B" to the Resolution of Formation.
4. Bonds in the maximum amount of \$6,500,000 are hereby authorized subject to voter approval. The bonds may be issued in one or more series and mature and bear interest at such rate or rates, payable semiannually or in such other manner, all as this City Council or its designee shall determine, at the time or times of sale of such bonds; provided, however, that the interest rate or rates shall not to exceed the maximum interest rate permitted by applicable law at the time of sale of the bonds and the bonds or any series thereof shall have a maximum term of not to exceed forty years.

5. The authorization to incur bonded indebtedness shall be subject to the approval of the qualified electors of the District and shall be consolidated with elections on the proposition of levying special taxes within the District and the establishment of an appropriations limit for the District pursuant to Section 53353.5 of the Act. The time, place and further particulars and conditions of such election shall be as specified by separate resolution of this Council.

6. This Resolution shall in no way obligate the City to issue bonds or other debt for the District. Issuance of the bonds shall be subject to the approval of this City Council by separate resolution.

The foregoing resolution was introduced at a regular meeting of the City Council of the City of Newman held on the 14th day of June, 2016 by Council Member Day, who moved its adoption, which motion was duly seconded and it was upon roll call carried and the resolution adopted by the following roll call vote:

AYES: Graham, Candea, Day and Mayor Martina.
NOES: None.
ABSENT: Davis.
ABSTAIN: None.

APPROVED:



Bob Martina
Mayor

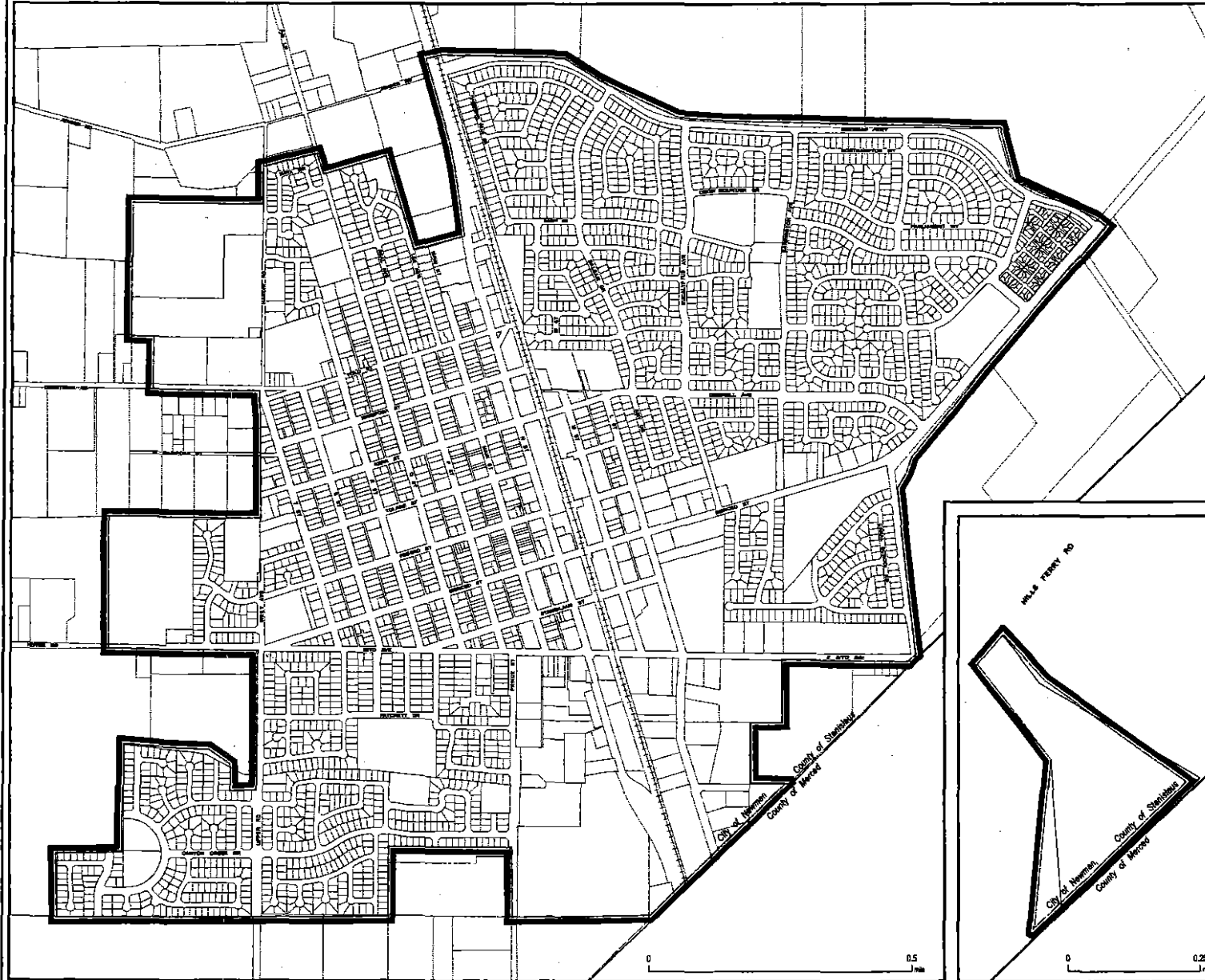
ATTEST:



Mike Maier
City Clerk

5 AM 48

PROPOSED BOUNDARIES OF
CITY OF NEWMAN
COMMUNITY FACILITIES DISTRICT NO. 2016-1 (COMMUNITY POOL)
CITY OF NEWMAN
COUNTY OF STANISLAUS
STATE OF CALIFORNIA



FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF NEWMAN THIS 4th DAY OF May, 2016.

Mike Mair
CITY CLERK
CITY OF NEWMAN
STANISLAUS COUNTY, CALIFORNIA

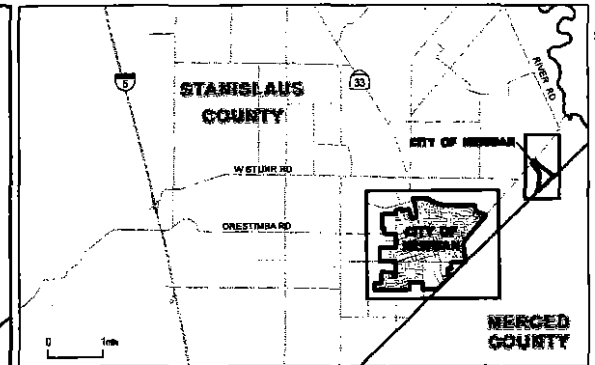
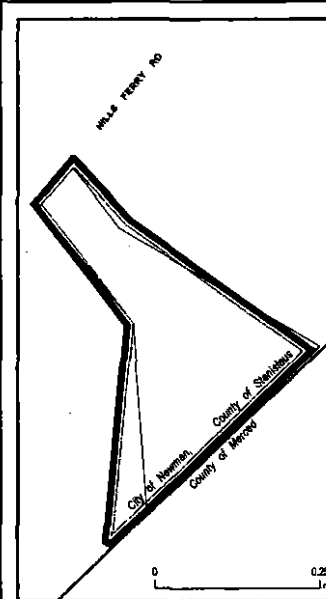
I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING THE PROPOSED BOUNDARIES OF CITY OF NEWMAN COMMUNITY FACILITIES DISTRICT NO. 2016-1 (COMMUNITY POOL), CITY OF NEWMAN, COUNTY OF STANISLAUS, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF NEWMAN, AT A REGULAR MEETING THEREOF, HELD ON THE 26th DAY OF April, 2016, BY ITS RESOLUTION NO. 2016-25.

Mike Mair
CITY CLERK
CITY OF NEWMAN
STANISLAUS COUNTY, CALIFORNIA

FILED THIS 4th DAY OF MAY, 2016, AT THE HOUR OF 4:55 O'CLOCK P.M. IN BOOK 05 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE 48 IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF STANISLAUS, STATE OF CALIFORNIA. Doc # 2016-32804

Leticia Dominguez
COUNTY RECORDER - DEPUTY LETICIA DOMINGUEZ
COUNTY OF STANISLAUS, CALIFORNIA

FOR PARTICULARS OF THE LINES AND DIMENSIONS OF ASSESSOR PARCELS, REFERENCE IS MADE TO THE MAPS OF THE ASSESSOR, COUNTY OF STANISLAUS, STATE OF CALIFORNIA.



- District Boundary
- District Parcel
- Other Area Parcels
- City Boundary

Data Source
Stanislaus County GIS
Projection
NAD 1983 StatePlane California III
FIPS 0403 Feet
Geographic Coordinate System
GCS North American 1983



5 AM 48

MEASURE _
Two-Thirds (2/3) Voter Approval Required
November 8, 2016

CITY OF NEWMAN COMMUNITY FACILITIES DISTRICT NO. 2016-1 MEASURE _:

To finance construction of community pool and splash pad, creating access to quality recreational opportunities for children, youth, adults, and seniors, including swimming lessons, water safety classes, and health and fitness programs; shall City of Newman Community Facilities District 2016-1 incur indebtedness not exceeding \$6,500,000, levy a special tax annually on taxable parcels (described in Resolution 2016-25), with discounts for low-income seniors, requiring audits, no increases to tax rate and establishing appropriations limit for Fiscal Year 2017/18 at \$750,000?

The Newman City Attorney has prepared the following pursuant to California Elections Code section 9280:

**CITY ATTORNEY'S IMPARTIAL ANALYSIS
OF MEASURE _
CITY OF NEWMAN COMMUNITY FACILITIES DISTRICT NO. 2016-1
(COMMUNITY POOL)**

On June 14, 2016, the City Council of the City of Newman ("City") established City of Newman Community Facilities District No. 2016-1 (Community Pool) ("District") pursuant to the Mello-Roos Community Facilities Act of 1982 (California Gov. Code Section 53311 et seq.) ("Act"). If approved by two-thirds of the voters of the District, an annual special tax will be levied on taxable parcels in the District with discounts for low-income seniors. The annual special tax will be used to fund all or a portion of the cost of acquisition, construction, operation, maintenance, and financing of a public aquatic facility project within the City which includes a community pool and related equipment, changing rooms, restrooms, bathhouse, splash pad, equipment building, and any and all related on-site improvements and facilities ("Project").

This ballot measure:

(i) authorizes the City, on behalf of the District, to incur bonded indebtedness and issue bonds or other debt (as defined in the Act; collectively, "Bonds") in the maximum amount of \$6,500,000 with interest at a rate or rates not to exceed the

maximum interest rate permitted by law at the time of sale of such Bonds for the purpose of funding the Project; and

(ii) authorizes the City to levy a special tax on taxable property within the District for no more than 30 years and in no event later than fiscal year 2047-48, to pay for debt service on the Bonds, the City's costs in administering the District, and the costs of funding the Project; and

(iii) establishes an annual appropriations limit for the District in the amount of \$750,000.00.

The measure is being placed on the ballot by the City Council. In order to pass, this measure requires two-thirds voter approval. If the measure is approved, each parcel within the District would be subject to a special tax according to the Rate and Method of Apportionment set forth in Resolution No. 2016-25 of the City Council ("Resolution"). If the measure is approved, upon recordation of a notice of special tax lien in accordance with applicable law, a continuing lien to secure the levy of the special tax would attach to all nonexempt property in the District.

The City Council has adopted the following accountability provisions with respect to this measure: (a) the Facilities and Services and related incidental costs, as defined in the Resolution of Formation, shall constitute the specific single purpose; (b) the proceeds of special taxes shall be applied only to the specific purposes identified in (a) above; (c) there shall be created one or more special accounts or funds into which the proceeds of special taxes shall be deposited; and (d) an annual report will be prepared as required by Government Code section 50075.3.

The Resolution contains a complete description of the boundaries of the District, nature of the Project, and Rate and Method of Apportionment. A "YES" vote on Measure _ enacts the special tax. A "NO" vote will result in the tax not being adopted.

/s/ PHAEDRA A. NORTON
Newman City Attorney

The above statement is an impartial analysis of Measure _ (City of Newman Resolution No. 2016-39). If you desire a copy of the measure, please call the Elections Official's office at 209-862-3725 and a copy will be mailed at no cost to you. A copy is also available on the City of Newman website at www.cityofnewman.com.