

**ORDINANCE NO. 1814**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF THE CARSON COMMUNITY FACILITIES DISTRICT NO. 2018-01 (MAINTENANCE AND SERVICES) AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN SAID DISTRICT**

**WHEREAS**, on September 18, 2018, the City Council of the City of Carson adopted Resolution 18-083 (the "Resolution of Intention"), and has conducted proceedings (the "Proceedings") to establish the City of Carson Community Facilities District No. 2018-01 (Maintenance and Services) (the "CFD") pursuant to the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 of Part 1 of Division 2 of Title 5, as amended, commencing with Section 53311, of the California Government Code (the "Act") to levy a special tax (the "Special Tax") to finance certain municipal services (the "Services") as provided in the Resolution of Intention and the Act;

**WHEREAS**, on November 7, 2018, pursuant to notice as specified in the Act, and as part of the Proceedings, the City Council has held a public hearing under the Act relative to 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 Services, and at such hearing all persons desiring to be heard on all matters pertaining to the formation of the CFD and the levy of the Special Tax were heard, substantial evidence was presented and considered by the City Council and a full and fair hearing was held;

**WHEREAS**, on November 7, 2018, upon the conclusion of the public hearing, the City Council adopted "A Resolution of the City Council of the City of Carson Determining the Validity of the Prior Proceedings, Forming the City of Carson Community Facilities District No. 2018-01 (Maintenance and Services) and Future Voluntary Annexation Area, Authorizing the Levy of a Special Tax Therein, Establishing an Appropriations Limit, and Taking Other Certain Actions Relating to said District" (the "Resolution of Formation"), pursuant to which it completed the Proceedings for the establishment of the CFD, the authorization of the levy of the Special Tax within the CFD and the calling of an election within the CFD on the propositions of levying the Special Tax and establishing an appropriations limit within the CFD, respectively; and

**WHEREAS**, on November 7, 2018 a special election was held among the landowners within the CFD at which such landowners approved the levy of the Special Tax by the two-thirds vote required by the Act, which approval has been confirmed by resolution of the City Council.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CARSON, IN ITS CAPACITY AS THE LEGISLATIVE BODY OF CITY OF CARSON COMMUNITY FACILITIES DISTRICT NO. 2018-01 (MAINTENANCE AND SERVICES), DOES HEREBY ORDAIN AS FOLLOWS:**

**Section 1.** The City Council finds the above recitals are true and correct and incorporated herein by this reference.

**Section 2.** By the passage of this Ordinance, the City Council hereby authorizes and levies the Special Tax within the CFD pursuant to the Act, at the rate and in accordance with the rate and method of apportionment of Special Tax ("Rate and Method of Apportionment") on file with the City Clerk and as approved in the Resolution of Formation, and attached as Exhibit A to this Ordinance. By this

reference, both the Resolution of Intention and the Resolution of Formation are incorporated herein. The Special Tax is hereby levied commencing in fiscal year 2018/19 and in each fiscal year thereafter to pay for the Services for the CFD, as contemplated by the Resolution of Formation and the Proceedings and all costs of administering the CFD.

**Section 3.** The City Council is hereby further authorized to determine, by ordinance, resolution, or by other action if permitted by then applicable law, on or before August 1 of each year, the specific special tax to be levied for the next ensuing fiscal year on each parcel of land within the CFD, in the manner as provided in the Rate and Method of Apportionment. The City Council further directs the City of Carson's Director of Finance, or designee, or an employee or consultant of the City of Carson, each fiscal year shall aid in determining the specific Special Tax to be levied.

**Section 4.** Exemptions from the levy of the Special Tax shall be as provided in the Resolution of Formation, the Rate and Method of Apportionment and the applicable provisions of the Act. In no event shall the Special Tax be levied on any parcel within the CFD in excess of the maximum Special Tax specified in the Resolution of Formation.

**Section 5.** All of the collections of the Special Tax shall be used as provided in the Act and in the Resolution of Formation, including, but not limited to, the payment of 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 6.** The Special Tax shall be collected in the same manner as ordinary ad valorem taxes are collected and shall have the same lien priority, and be subject to the same penalties and the same procedure and sale in cases of delinquency as provided for ad valorem taxes; provided, however, that the City Council may provide for other appropriate methods of collection by resolution(s) of the City Council. In addition, the provisions of Section 53356.1 of the Act shall apply to delinquent Special Tax payments. The Director of Finance of the City, or designee, is hereby authorized and directed to provide all necessary information to the auditor/tax collector of the County of Los Angeles 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 Los Angeles for fiscal year 2018/19 and for each fiscal year thereafter until no longer required to pay for the Services or until otherwise terminated by the City. The City may also 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 the CFD.

**Section 7.** 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 8.** The Mayor shall sign this Ordinance and the City Clerk shall cause the same to be published immediately after, but at least within fifteen (15) days, its passage at least once in a newspaper of general circulation circulated in the City.

**Section 9.** The City Clerk, or designee, is hereby directed to execute and cause to be recorded in the office of the County Recorder of the County of Los Angeles a notice of special tax lien in the form required by the Act, said recording to occur not later than fifteen (15) days following final passage by the

City Council of this Ordinance, and to perform all other acts which are required by the Act, this Ordinance or by law in order to accomplish the purpose of this Ordinance.

**Section 10.** This Ordinance shall take effect thirty (30) days from the date of final passage.

**PASSED AND ADOPTED** on this 20<sup>th</sup> day of November, 2018

APPROVED AS TO FORM:

CITY OF CARSON:

\_\_\_\_\_  
Sunny K. Soltani, City Attorney

\_\_\_\_\_  
Albert Robles, Mayor

ATTEST:

\_\_\_\_\_  
Donesia Gause-Aldana, MMC, City Clerk

STATE OF CALIFORNIA            )  
COUNTY OF LOS ANGELES       ) ss.  
CITY OF CARSON                 )

I, Donesia Gause-Aldana, City Clerk of the City of Carson, California, hereby attest to and certify that the foregoing ordinance, being Ordinance 18-1814 passed first reading on the 7<sup>th</sup> day of November, 2018, adopted by the Carson City Council at its meeting held on the 20<sup>th</sup> day of November, 2018, by the following roll call vote:

AYES:	COUNCIL MEMBERS:
NOES:	COUNCIL MEMBERS:
ABSTAIN:	COUNCIL MEMBERS:
ABSENT:	COUNCIL MEMBERS:

\_\_\_\_\_  
Donesia Gause-Aldana, MMC, City Clerk

## EXHIBIT A

### CITY OF CARSON Community Facilities District No. 2018-01 (Maintenance and Services)

#### **RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX**

A Special Tax shall be levied and collected in City of Carson Community Facilities District No. 2018-01 (Maintenance and Services) (the "District") each Fiscal Year, in an amount determined by the application of the procedures described below. All of the Taxable Property (as defined below) in the District, unless exempted by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

#### **I. DEFINITIONS**

The terms used herein shall have the following meanings:

**"Accessory Unit"** means a secondary residential unit of limited size (e.g., granny cottage, second unit) that shares a Parcel with a Unit of Single Family Detached Property.

**"Acreage" or "Acre"** means that acreage shown on the Assessor's Parcel Map or in the Assessor's Data for each Assessor's Parcel. In the event that the Assessor's Parcel Map or Assessor's Data shows no acreage, the Acreage for any Assessor's Parcel shall be determined by the District Administrator based upon the applicable condominium plan, final map or parcel map. If the preceding maps for a land are not available, the Acreage of such land area may be determined utilizing available spatial data and geographic information systems (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 Act of the State of California.

**"Administrative Expenses"** means the following actual or reasonably estimated costs directly related to the administration of the District: the costs of computing the Annual Special Tax Requirement and the annual Special Tax and of preparing the annual Special Tax collection schedules; the costs of collecting the Special Taxes, 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 Taxes; and the costs of the City or designee related to an appeal of the Special Tax. Administrative Expenses shall also include costs related to the formation of the District and of annexing territory to the District as well as any amounts advanced by the City for any administrative purposes of the District and an allocable share of the salaries of City staff and an allocable portion of City overhead costs relating to the foregoing, or costs of the City in any way related to the establishment or administration of the District.

**"Annual Services Costs"** means the amounts required to fund services authorized to be funded by the District.

**"Annual Special Tax Requirement"** means that amount with respect to the District determined by the Council or designee as required in any Fiscal Year to pay: (1) the Administrative Expenses, (2) the Annual Services Costs for each Tax Zone, (3) any amount required to establish or replenish any reserve or replacement fund established in connection with the District, and (4) reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year.

**“Assessor’s Data”** means Acreage or other Parcel information contained in the records of the County Assessor.

**“Assessor’s Parcel” or “Parcel”** means a lot or parcel shown in an Assessor’s Parcel Map with an assigned Assessor’s Parcel Number.

**“Assessor’s Parcel Map”** means an official map of the Assessor of the County designating parcels by Assessor’s Parcel Number.

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

**“Association Property”** means any property within the boundaries of the District which is owned by a homeowners’ or property association, including any master or sub-association.

**“Boundary Map”** means that map recorded with the County recorder’s office on September 20, 2018 in Book 194 at Pages 88 and 89 as Document Number 20180967743.

**“City”** means the City of Carson, County of Los Angeles.

**“Council”** means the City Council of the City, acting as the legislative body of the District.

**“County”** means the County of Los Angeles, California.

**“Developed Property”** means, in any Fiscal Year, all Taxable Property in the District for which a building permit for new construction was issued by the City prior to June 1 of the preceding Fiscal Year.

**“District”** means the City of Carson Community Facilities District No. 2018-01 (Maintenance and Services), and, when applicable, any annexed Assessor’s Parcels.

**“District Administrator”** means an official of the City, or designee or agent or consultant, responsible for administering the Special Tax in accordance with this Rate and Method of Apportionment.

**“Exempt Property”** means all property located within the boundaries of the District which is exempt from the Special Tax pursuant to Section V below.

**“Expected Special Tax Revenue”** means the amount of revenue anticipated to be collected in each Tax Zone, adjusted annually by the Tax Escalation Factor.

**“Finance Director”** means the official of the City who is the chief financial officer or other comparable officer of the City or designee thereof.

**“Fiscal Year”** means the period from July 1<sup>st</sup> of any calendar year through June 30<sup>th</sup> of the following calendar year.

**“Future Voluntary Annexation Area”** means the area designated for future voluntary annexation to the District as shown in the District Boundary Map, as may be amended from time to time.

**“Maximum Special Tax Rate”** means the maximum Special Tax authorized for levy in any Fiscal Year that

may apply to Taxable Property as described in Section III.

**“Multi-Family Property”** means, in any Fiscal Year, all Parcels of Developed Property for which a building permit or use permit has been issued for construction of a residential structure with five or more Units that share a single Assessor’s Parcel Number, are offered for rent to the general public, and cannot be purchased by individual homebuyers.

**“Non-Residential Property”** means all Developed Property that is not used for people to live in, and does not include Public Property.

**“Proportionately”** means, in any Fiscal Year, that the ratio of the actual Special Tax to the Maximum Special Tax Rate is equal for all Assessor’s Parcels authorized to be levied in that Fiscal Year within each respective Tax Zone.

**“Public Property”** means any property within the boundaries of the District owned by, irrevocably offered or dedicated to, or for which an easement for purposes of public or private road right-of-way making the property unusable for any other purpose has been granted to the federal government, the State of California, the County, the City, or any local government or other public agency.

**“Single Family Attached Property”** means, in any Fiscal Year, all Parcels of Developed Property for which a building permit or use permit was issued for construction of a residential structure consisting of two or more Units that share common walls, have separate Assessor’s Parcel Numbers assigned to them (except for a duplex triplex, or fourplex unit, which may share a Parcel with another duplex, triplex or fourplex Unit(s)), and may be purchased by individual homebuyers (which shall still be the case even if the Units are purchased and subsequently offered for rent by the owner of the Unit), including such residential structures that meet the statutory definition of a condominium project contained in Civil Code Section 4125.

**“Single Family Detached Property”** means, in any Fiscal Year, all Parcels of Developed Property for which a building permit was issued for construction of a Unit that does not share a common wall with another 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.

**“Tax Escalation Factor”** means a factor that will be applied annually after Fiscal Year 2018/19 to increase the Maximum Special Tax Rates shown in Section III and as specified for each Tax Zone.

**“Tax Zone”** means a mutually exclusive geographic area within which the Special Tax may be levied pursuant to this Rate and Method of Apportionment. ***All of the Taxable Property within the District at the time of its formation is within Tax Zone No. 1 as specified on the District Boundary Map.*** Additional Tax Zones may be created when property is annexed to the District, and a separate Maximum Special Tax shall be identified for property within the new Tax Zone at the time of such annexation. The Assessor’s Parcels included within a new Tax Zone when such Parcels are annexed to the District shall be identified by Assessor’s Parcel number in the Unanimous Approval Form that is signed by the owner(s) of the Parcels at the time of annexation, or any proceeding for annexation to the District.

**“Taxable Property”** means all Parcels within the boundary of the District that are not Exempt Property, exempt from the Special Tax pursuant to the Act or Section V below.

**“Unanimous Approval Form”** means that form executed by the record owner of fee title to a Parcel or Parcels of Taxable Property annexed into the District that constitutes the property owners approval and unanimous vote in favor of annexing into the District and the levy of Special Tax against his/her Parcel or Parcels pursuant to this Rate and Method of Apportionment of Special Tax.

**“Undeveloped Property”** means all Parcels of Taxable Property that are not Developed Property.

**“Unit”** means an individual single family detached or attached home, townhome, condominium, apartment, or other residential dwelling unit, including each separate living area within a half-plex, duplex, triplex, fourplex, or other residential structure. An Accessory Unit that shares a Parcel with a Unit of Single Family Detached Property shall not be considered a separate Unit for purposes of calculating the Special Tax.

## **II. DETERMINATION OF TAXABLE PARCELS**

On or about July 1 of each Fiscal Year, the District Administrator shall determine the valid Assessor’s Parcel Numbers for all Taxable Property within the District. If any Assessor’s Parcel Numbers are no longer valid from the previous Fiscal Year, the District Administrator shall determine the new Assessor’s Parcel Number or Numbers that are in effect for the current Fiscal Year. To the extent a Parcel or Parcels of Taxable Property are subdivided, consolidated or otherwise reconfigured, the Special Tax rates shall be assigned to the new Assessor’s Parcels pursuant to Section III. The District Administrator shall also determine: (i) the Tax Zone within which each Parcel is located; (ii) which Parcels are Developed Property; (iii) the Acreage or number of Units each Parcel contains; and (iv) the Annual Special Tax Requirement for the Fiscal Year.

## **III. ANNUAL SPECIAL TAX - METHOD OF APPORTIONMENT**

All Taxable Property shall be subject to a Special Tax defined as follows.

The Special Tax shall be levied each Fiscal Year by the District Administrator. The Annual Special Tax Requirement shall be apportioned to each Parcel of Taxable Property within the District 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 Maximum Special Tax Rate described in Table 1 below to satisfy the Annual Special Tax Requirement.

**TABLE 1  
SPECIAL TAX RATES – TAX ZONE NO. 1  
FISCAL YEAR 2018/19\***

<b>Property Type</b>	<b>Maximum Special Tax Rate</b>	<b>Per</b>	<b>Expected Special Tax Revenue</b>
Non-Residential Property	\$1,971.51	Acre	\$9,189.21

*\*On each July 1, commencing on July 1, 2019, the Maximum Special Tax Rate for each Tax Zone shall be increased by the percentage change in the November annualized Consumer Price Index for Los Angeles-Long Beach-Anaheim for all Urban Consumers, the Tax Escalation Factor for Tax Zone No. 1.*

Should the total revenue for Tax Zone No. 1 not be fully realized when all Parcels in Tax Zone No. 1 are

classified as Developed Property, the Special Tax rate per Acre shall be adjusted so that the Special Tax per Acre is sufficient to generate the total Expected Special Tax Revenue for Tax Zone No. 1, adjusted annually by the Tax Escalation Factor. The Maximum Special Tax Rate shall be the greater of the Maximum Special Tax Rate shown in Table 1, adjusted annually by the Tax Escalation Factor or the Special Tax Rate calculated to generate the total Expected Special Tax Revenue for Tax Zone No. 1, adjusted annually by the Tax Escalation Factor.

If a building permit has been issued after June 1 of the preceding Fiscal Year, the City may directly bill to meet the Annual Special Tax Requirement, as prorated based on the date the building permit is issued and the end of the Fiscal Year.

A different Maximum Special Tax Rate may be identified in Tax Zones added to the District as a result of future annexations.

#### **IV. FORMULA FOR PREPAYMENT OF SPECIAL TAX OBLIGATIONS**

The Special Tax may not be prepaid.

#### **V. EXEMPTIONS**

Notwithstanding any other provision of this Rate and Method of Apportionment of Special Tax, no Special Taxes shall be levied on (i) Public Property, (ii) Association Property, (iii) 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 (iv) except as otherwise provided in Sections 53317.3 and 53317.5 of the Act.

#### **VI. INTERPRETATION 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 by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Tax.

#### **VII. 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 the District, and may collect delinquent Special Taxes through foreclosure or other available methods.

A Special Tax shall continue to be levied and collected within the District, as needed to fund the Annual Special Tax Requirement, in perpetuity.

#### **VIII. APPEAL OF SPECIAL TAX LEVY**

Any property owner may file a written appeal of the Special Tax with the District 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 Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes 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 Taxes are in error. The District Administrator shall review the appeal, meet with the appellant if the District Administrator deems necessary, and advise the appellant of its determination.



If the property owner disagrees with the District 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 District Administrator or subsequent decision by the City Council requires the Special Taxes to be modified or changed in favor of the property owner, no cash refund shall be made for prior years' Special Taxes, but an adjustment shall be made to credit future Special Taxes.

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.