

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SALINAS, ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 2016-1 (MONTE BELLA) OF THE CITY OF SALINAS, AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN THE COMMUNITY FACILITIES DISTRICT AND IMPROVEMENT AREA NOS. 1, 2 AND 3 THEREIN**

**THE CITY COUNCIL OF THE CITY OF SALINAS DOES HEREBY ORDAIN AS FOLLOWS:**

Section 1.     Findings.

A.     On October 18, 2016, the City Council (the “City Council”) of the City of Salinas (the “City”) adopted Resolution No. 595 (N.C.S.) declaring its intention to form Community Facilities District No. 2016-1 (Monte Bella) of the City of Salinas (the “Community Facilities District”) and Improvement Area Nos. 1, 2 and 3 therein (each an “Improvement Area” and, collectively, the “Improvement Areas”) pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, comprising Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (the “Act”), and adopted Resolution No. 6329 declaring its intention to incur bonded indebtedness of the Community Facilities District on behalf of each Improvement Area; and

B.     On November 29, 2016, after providing all notice required by the Act, the City Council opened a public hearing required by the Act relative to the formation of the Community Facilities District and Improvement Area Nos. 1, 2 and 3 therein, the proposed levy of a special tax within each Improvement Area to finance certain public improvements described in Resolution No. 6328 and to secure the payment of any bonded indebtedness of the Community Facilities District on behalf of each Improvement Area, and the proposed issuance of up to \$3,575,000 of bonded indebtedness on behalf of Improvement Area No. 1, \$3,025,000 of bonded indebtedness on behalf of Improvement Area No. 2, and \$4,400,000 of bonded indebtedness on behalf of Improvement Area No. 3, and

C.     At the public hearing, all persons desiring to be heard on all matters pertaining to the formation of the Community Facilities District and Improvement Area Nos. 1, 2 and 3 therein, the proposed levy of the special tax within each Improvement Area to finance the public facilities and incidental expenses described in Resolution No. 595 (N.C.S.) and the proposed issuance of bonded indebtedness of the Community Facilities District on behalf of each Improvement Area were heard and a full and fair hearing was held; and

D.     On November 29, 2016, following the close of the public hearing, the City Council adopted a resolution establishing the Community Facilities District and Improvement Area Nos. 1, 2 and 3 therein (the “Resolution of Formation”) and a resolution determining the necessity to incur bonded indebtedness of the Community Facilities District on behalf of each Improvement Area (the “Resolution to Incur Bonded Indebtedness”) each of which called a consolidated special election on November 29, 2016 within each Improvement Area on three

propositions relating to the levying of a special tax, the incurring of bonded indebtedness and the establishment of an appropriations limit for the Community Facilities District; and

E. On November 29, 2016, a special election was held within each Improvement Area at which the qualified electors approved by more than a two-thirds vote Propositions A, B and C authorizing the levy of a special tax within each Improvement Area for the purposes described in the Resolution of Intention and Resolution of Formation and the issuance of bonded indebtedness for each Improvement Area as described in the Resolution to Incur Bonded Indebtedness.

Section 2. Ordinance Authorizing the Levy of a Special Tax within the Community Facilities District and Improvement Area Nos. 1, 2 and 3 therein.

A. The above recitals are all true and correct.

B. By the passage of this Ordinance, the City Council authorizes the levy of a special tax within the Community Facilities District and Improvement Area Nos. 1, 2 and 3 therein at the maximum rates and in accordance with the rates and methods of apportionment set forth in Exhibit C to Resolution No. 6328, which rate and method of apportionment for each Improvement Area are incorporated by reference herein (each the "Rate and Method" for the applicable Improvement Area).

C. The Finance Director of the City is hereby further authorized and directed each fiscal year, on or before August 10 of each year, or such later date as is permitted by law, to determine the specific special tax rates and amounts to be levied for the next ensuing fiscal year for each parcel of real property within the specific special tax rate and amount to be levied on each parcel of land in each Improvement Area pursuant to the applicable Rate and Method. The special tax rate to be levied pursuant to the applicable Rate and Method shall not exceed the applicable maximum rates set forth therein, but the special tax may be levied at a lower rate.

D. Properties or entities of the state, federal or other local governments shall be exempt from the special tax, except as otherwise provided in Sections 53317.3 and 53317.5 of the Act and the applicable Rate and Method. No other properties or entities are exempt from the special tax unless the properties or entities are expressly exempted in the Resolution of Formation, or in a resolution of consideration to levy a new special tax or special taxes or to alter the rate or method of an existing special tax as provided in Section 53334 of the Act.

E. All of the collections of the special tax pursuant to the applicable Rate and Method shall be used as provided for in the Act and the Resolution of Formation. The special tax shall be levied within each Improvement Area only so long as needed for the purposes described in the Resolution of Formation.

F. The special tax levied pursuant to each Rate and Method shall be collected in the same manner as ordinary *ad valorem* property taxes are collected and shall be subject to the same penalties and the same procedure, sale and lien priority in case of delinquency as is provided for *ad valorem* taxes (which such procedures include the exercise of all rights and remedies permitted by law to make corrections, including, but not limited to, the issuance of amended or

supplemental tax bills), as such procedure may be modified by law or by this City Council from time to time.

G. As a cumulative remedy, if any amount levied as a special tax for payment of the interest or principal of any bonded indebtedness of the Community Facilities District on behalf of an Improvement Area, together with any penalties and other charges accruing under this Ordinance, are not paid when due, the City Council may, not later than four years after the due date of the last installment of principal on the bonds issued by the Community Facilities District on behalf of such Improvement Area, order that the same be collected by an action brought in the superior court to foreclose the lien of such special tax.

H. The specific authorization for adoption of this Ordinance is pursuant to the provisions of Section 53340 of the Act.

I. The City Clerk is hereby authorized to transmit a certified copy of this ordinance to the San Bernardino County Assessor and Treasurer-Tax Collector, 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 3. Compliance with California Environmental Quality Act. The City Council finds that this Ordinance is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the State CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly. Further, if the activity is deemed a project this City Council finds that this Ordinance is exempt pursuant to Section 15061(b)(3) of the State CEQA Guidelines.

Section 4. Severability. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. The City Council hereby declares that it would have adopted this Ordinance irrespective of the invalidity of any particular portion thereof.

Section 5. Effective Date. This Ordinance shall become effective thirty (30) days from its adoption.

Section 6. Publication. The City Clerk shall certify to the adoption of this Ordinance and cause it, or a summary of it, to be published in a newspaper of general circulation printed and published within the City of Salinas, pursuant to all legal requirements.

**PASSED, APPROVED, AND ADOPTED** this 29th day of November, 2016.

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Joe Gunter, Mayor

I, Patricia M. Barajas, City Clerk of the City of Salinas, California, do hereby certify that the foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Salinas held on the 29th day of November, 2016, and was adopted at a regular meeting of the City Council of the City of Salinas on the 29th day of November, 2016, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST: \_\_\_\_\_  
Patricia M. Barajas, City Clerk