



Agenda Report

File #: 18-2182

AGENDA REPORT REQUEST FOR CITY COUNCIL ACTION

DATE: 10/17/2018

TO: Honorable Mayor and City Council Members

FROM: Administrative Services Department

SUBJECT:

City Council consideration of Resolution No. 2018-108, certifying the results of an election and adding territory to Community Facilities District No. 2016-1 (Public Services) of the City of Corona (Annexation No. 10).

RECOMMENDED ACTION:

That the City Council:

1. Adopt Resolution No. 2018-108 certifying the results of an election and adding territory to Community Facilities District No. 2016-1 (Public Services) of the City of Corona (Annexation No. 10).
2. Authorize the Purchasing Agent to increase Purchase Order P20751 in the amount of \$500.

ANALYSIS:

Karen Parker ("Owner") is the owner of one parcel totaling 2.99 acres, which located south of Ontario Avenue, north of Othello Lane, east of Lincoln Avenue and west of Buena Vista, legally described in Exhibit "A" of the Consent and Waiver ("Property"). The Owner proposes to construct four new detached single-family residences and leave the existing single-family residence on a separate lot on the Property. The Owner has agreed to annex the Property into Community Facilities District No. 2016-1 ("CFD 2016-1") for the purpose of financing police protection services (including but not limited to criminal justice services), fire protection and suppression services, and paramedic services ("Public Services") within the area of CFD 2016-1, which is necessary to serve new development within the Property.

CFD 2016-1 was formed by the City Council on March 2, 2016 pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982 ("Act"). As part of the formation process and in accordance with the Act, the City Council also established an area designated as the "Future Annexation Area" for CFD 2016-1 and authorized the annexation of parcels within the Future Annexation Area to CFD No. 2016-1 upon the unanimous approval and election of the owner(s) of any such parcel authorizing the

levy of special taxes upon such parcel following the annexation of such parcel to CFD No. 2016-1. The annexation of parcels within the Future Annexation Area can be accomplished without any further public hearings or additional proceedings. The Property is within the Future Annexation Area and, thus, can be annexed to CFD 2016-1 with the unanimous approval and election of the Owners.

Prior to tonight's City Council meeting, the Owners executed the attached Consent and Waiver to Shortening of Time for Conducting a Special Elections and submitted ballots, which authorize the annexation of the Property to CFD 2016-1 and the levy of special taxes on the Property to pay for the Public Services.

The attached resolution will certify the results of the election on the annexation of the Property to CFD 2016-1 and annex the Property to CFD 2016-1.

The Owners will pay for the entire annexation cost. The City awarded the special tax consulting services to Spicer Consulting Group (SCG) in January 2018 through a competitive process. A Purchase Order (PO) was issued in the amount of \$160,000 to cover all existing special tax district administration work as of January 2018. The cost of this requested annexation is not covered by the existing PO with SCG. Therefore, staff is requesting to increase PO P20751 by \$500, consistent with the mutually agreed upon rates per the Professional Services Agreement (PSA) between the City and SCG.

COMMITTEE ACTION:

Not applicable.

STRATEGIC PLAN:

Not applicable.

FISCAL IMPACT:

Per tax rate set by the Rate and Method of Apportionment (RMA), total maximum assessment rate for CFD 2016-1 is \$580.43 per single family and \$402.70 per multi-family residential unit for Fiscal Year 2019-20. The RMA provides for an annual escalation up to the greater of 4% or the Consumer Price Index (CPI) on July 1, subject to the approval of the City Manager.

On March 1 of each year, every residential building for which a building permit has been issued will be subject to the special taxes in the ensuing fiscal year. Approval of the attached resolution is anticipated to result in approximately \$2,322 of additional annual special tax revenue per year when the Property is fully developed as planned. The additional assessment for CFD 2016-1 will provide a portion of the cost of Public Services to be provided to the residents within the Property.

ENVIRONMENTAL ANALYSIS:

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the adoption of the resolutions may have a significant effect on the environment, the action is not subject to CEQA. This action merely annexes the Property to Community Facilities District 2016-1 and there is no possibility that adopting the above resolution will have a significant effect on the environment. Therefore, no environmental analysis is required.

PREPARED BY: LIEN-CHI CANTUBA, FINANCIAL ANALYST III

REVIEWED BY: JENNIFER SCHAEFER, FINANCE MANAGER

REVIEWED BY: KERRY D. EDEN, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES
DIRECTOR

REVIEWED BY: MICHELE NISSEN, ASSISTANT CITY MANAGER

SUBMITTED BY: DARRELL TALBERT, CITY MANAGER

Attachment: Consent and Waiver to Shortening of Time for Conducting a Special Election

RESOLUTION NO. 2018-108

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORONA, CALIFORNIA, CERTIFYING THE RESULTS OF AN ELECTION AND ADDING TERRITORY TO COMMUNITY FACILITIES DISTRICT NO. 2016-1 (PUBLIC SERVICES) OF THE CITY OF CORONA (ANNEXATION NO. 10)

WHEREAS, the City Council of the City of Corona, California (the “City Council”) has previously formed Community Facilities District No. 2016-1 (Public Services) of the City of Corona (“CFD No. 2016-1”) pursuant to the Mello-Roos Community Facilities Act of 1982 (the “Act”), as amended, for the purpose of financing certain facilities and services; and

WHEREAS, acting pursuant to the Act, the City Council also authorized, by the adoption of Resolution No. 2016-029 (the “Resolution Authorizing Future Annexation”), the annexation in the future of territory to CFD No. 2016-1, such territory designated as Future Annexation Area, Community Facilities District No. 2016-1 (the “Future Annexation Area”); and

WHEREAS, the City has received the unanimous consent to the annexation of certain territory located within the Future Annexation Area to CFD No. 2016-1 from the property owner of such territory, and such territory has been designated as Annexation No. 10 (the "Territory"); and

WHEREAS, less than twelve (12) registered voters have resided within the Territory for each of the ninety (90) days preceding the election date established for the Territory, therefore, pursuant to the Act the qualified elector of the Territory shall be the "landowner" of such Territory, as such term is defined in Government Code Section 53317(f); and

WHEREAS, the landowner(s) who is the owner of record as of the applicable election date, or the authorized representative thereof, shall have one vote for each acre or portion of an acre of the parcel of land that landowner owns within such Territory and if more than one of the record owners of an identified parcel submits a ballot, the votes attributable to the parcel shall be allocated in proportion to the respective record ownership interest of each record owner, rounded to the nearest one-tenth of a vote; and

WHEREAS, the time limit specified by the Act for conducting an election to submit the levy of the special taxes on the Territory to the qualified elector thereof and the requirements for impartial analysis and ballot arguments have been waived with the unanimous consent of the qualified elector of the Territory; and

WHEREAS, the City Clerk of the City of Corona has caused ballots to be distributed to the qualified elector of the Territory with votes allocated in proportion to the respective record ownership interest of each record owner, rounded to the nearest one-tenth of a vote, has received and canvassed such ballots and made a report to the City Council regarding the

results of such canvas, a copy of which is attached as Exhibit "A" hereto and incorporated herein by this reference; and

WHEREAS, at this time the measure voted upon did receive the favorable vote of the qualified elector of the Territory, and the City Council desires to declare the results of the election; and

WHEREAS, a map showing the Territory and designated as Annexation Map No. 10 (the "Annexation Map"), a copy of which is attached as Exhibit "B" hereto and incorporated herein by this reference, has been submitted to this legislative body.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Corona, California, acting as the legislative body of Community Facilities District No. 2016-1, as follows:

SECTION 1. Recitals. The above recitals are true and correct.

SECTION 2. Findings. The City Council hereby further determine as follows:

A. The unanimous consent as described in the recitals hereto to the annexation of the Territory to CFD No. 2016-1 has been given by the owner of the Territory and such consent shall be kept on file in the Office of the City Clerk of the City of Corona.

B. Less than twelve (12) registered voters have resided within the Territory for each of the ninety (90) days preceding the election date established for each of the parcels located within the Territory, therefore, pursuant to the Act the qualified elector for the Territory shall be the "landowner" of the Territory as such term is defined in Government Code Section 53317(f).

C. The qualified elector of the Territory has voted in favor of the levy of special taxes on the Territory upon its annexation to CFD No. 2016-1.

SECTION 3. Territory. The boundaries and parcels of property within the Territory and on which special taxes will be levied in order to pay for the costs and expenses of authorized public services and public facilities are shown on the Annexation Map as submitted to and hereby approved by the City Council.

SECTION 4. Declaration of Annexation. The City Council hereby determines and declares that the Territory, and each parcel therein, is now added to and becomes a part of CFD No. 2016-1. The City Council, acting as the legislative body of CFD No. 2016-1, is hereby empowered to levy the authorized special tax within the Territory.

SECTION 5. Notice. Immediately upon adoption of this Resolution, notice shall be given as follows:

A. A copy of the Annexation Map, as approved, shall be filed in the Office of the County Recorder no later than fifteen (15) days after the date of adoption of this Resolution.

B. An Amendment to the Notice of Special Tax Lien (Notice of Annexation) shall be recorded in the Office of the County Recorder no later than fifteen (15) days after the date of adoption of this Resolution.

SECTION 6. Effective Date. This Resolution shall become effective upon its adoption.

PASSED, APPROVED AND ADOPTED this 17th day of October 2018.

Mayor of the City of Corona, California

ATTEST:

City Clerk of the City of Corona, California

CERTIFICATION

I, Sylvia Edwards, City Clerk of the City of Corona, California, do hereby certify that the foregoing Resolution was regularly passed and adopted by the City Council of the City of Corona, California, at a regular meeting thereof held on the 17th day of October 2018, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Corona, California, this 17th day of October 2018.

City Clerk of the City of Corona

CERTIFICATE OF ELECTION OFFICIAL AND STATEMENT OF VOTES CAST

The undersigned, ELECTION OFFICIAL OF THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, DOES HEREBY CERTIFY that pursuant to the provisions of Section 53326 of the Government Code and Division 12, commencing with Section 17000 of the Elections Code of the State of California, I did canvass the returns of the votes cast at the

I FURTHER CERTIFY that this Statement of Votes Cast shows the whole number of votes cast in the area proposed to be annexed to Community Facilities District No. 2016-1 of the City of Corona for or against the Measure are full, true and correct.

WITNESS my hand this day of , 2018.

CITY CLERK
ELECTION OFFICIAL
CITY OF CORONA
OF THE STATE OF CALIFORNIA

EXHIBIT "B"

ANNEXATION MAP

THIS MAP SHOWS THE BOUNDARIES OF AREAS TO BE ANNEXED TO COMMUNITY FACILITIES DISTRICT NO. 2016-1 (PUBLIC SERVICES), OF THE CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

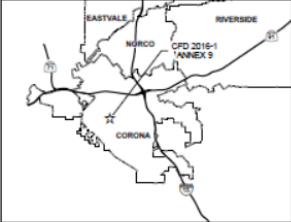
THE BOUNDARIES OF WHICH COMMUNITY FACILITIES DISTRICT ARE SHOWN AND DESCRIBED ON THE MAP THEREOF WHICH WAS PREVIOUSLY RECORDED ON JANUARY 28, 2016 IN BOOK 79 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICT AT PAGE 26 AND AS INSTRUMENT NO. 2016-0034626 IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.


I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2016-1 (PUBLIC SERVICES), CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF CORONA AT A REGULAR MEETING THEREOF, HELD ON ____ DAY OF ____ 20____ BY RESOLUTION NO. ____

CITY CLERK
CITY OF CORONA

FILED IN THE OFFICE OF THE CITY CLERK, CITY OF CORONA,
THIS ____ DAY OF ____ 20____

CITY CLERK
CITY OF CORONA





ANNEXATION MAP NO. 10
COMMUNITY FACILITIES DISTRICT NO. 2016-1
(PUBLIC SERVICES)
CITY OF CORONA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

SHEET 1 OF 1 SHEET


RECORDED THIS ____ DAY OF ____ 20____ AT
THE HOUR OF ____ O'CLOCK ____ M. IN BOOK ____
PAGE ____ OF MAPS OF ASSESSMENT AND COMMUNITY
FACILITIES DISTRICTS IN THE OFFICE OF THE COUNTY
RECORDER, IN THE COUNTY OF RIVERSIDE, STATE OF
CALIFORNIA.


FEE: ____ NO: ____
PETER ALDANA, ASSESSOR, COUNTY CLERK, RECORDER

BY: ____
DEPUTY

LEGEND

— ANNEXATION AREA BOUNDARY
— PARCEL BOUNDARY
XXX-XXX-XXX ASSESSOR'S PARCEL NUMBER





THIS ANNEXATION MAP CORRECTLY SHOWS THE LOT OR PARCELS OF LAND INCLUDED WITHIN THE BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT. FOR DETAILS CONCERNING THE LINES AND DIMENSIONS OF LOTS OR PARCELS, REFER TO THE COUNTY ASSESSOR MAPS FOR FISCAL YEAR 2016-19.

**CONSENT AND WAIVER TO SHORTENING OF TIME
FOR CONDUCTING A SPECIAL ELECTION IN
PROPERTY PROPOSED TO BE ANNEXED TO
COMMUNITY FACILITIES DISTRICT NO. 2016-1
(PUBLIC SERVICES)
OF THE CITY OF CORONA**

ANNEXATION NO. 10

**TO: CITY COUNCIL
CITY OF CORONA
COMMUNITY FACILITIES DISTRICT NO. 2016-1**

THE UNDERSIGNED DOES HEREBY CERTIFY UNDER PENALTY OF PERJURY
AS FOLLOWS:

1. The undersigned is the owner, or the duly authorized representative of such owner, of the real property described in Exhibit "A" attached hereto and incorporated herein by reference (the "Property"), and, in such capacity, possesses all legal authority necessary to execute this Consent and Waiver for and on behalf of the owner of the Property (the "Owner") in connection with the annexation of the Property to CFD No. 2016-1 (as defined below).
2. The Owner is aware of and understands the following:
 - A. The City Council of the City of Corona (the "City Council") has conducted proceedings pursuant to the "Mello-Roos Community Facilities Act of 1982" (Government Code §53311 and following) (the "Act") to form a community facilities district known and designated as Community Facilities District No. 2016-1 (Public Services) of the City of Corona ("CFD No. 2016-1") for the purpose of financing the Authorized Services (defined below).
 - B. The City Council and the qualified elector of CFD No. 2016-1 have previously authorized the levy of a special tax within CFD No. 2016-1 (the "Special Tax") pursuant to the Act and the Rate and Method of apportionment of the Special Tax (the "Rate and Method"), a copy of which is attached as Exhibit "B" hereto and incorporated herein by this reference. The Special Tax is authorized to be levied to fund the Special Tax Requirement as such term is defined in the Rate and Method for the purpose of paying for certain types of public services as described in Exhibit "C" attached hereto and incorporated herein by this reference (the "Authorized Services"). Such Authorized Services are not replacing services already available within the boundaries of CFD No. 2016-1 and the Property.

- C. Pursuant to Article 3.5 of the Act, the City Council has also undertaken proceedings and authorized the future annexation of certain territory, including the Property, to CFD No. 2016-1, upon the unanimous approval of the owner or owners of each parcel or parcels at the time that such parcel or parcels are annexed, without additional public hearings.
- D. The Act further requires, as a prerequisite to the annexation of the Property to CFD No. 2016-1 or the levy of the Special Tax within the Property, that the City Council must submit the question of whether or not to levy such Special Tax within the Property to the qualified elector or qualified electors of the Property at a special election. The Act further provides that 2/3's of the qualified electors must vote in favor of the levy of the Special Taxes.
- E. The Act provides that the qualified elector or qualified electors of the Property shall be the voters registered to vote within Property if at least twelve (12) persons, who need not necessarily be the same twelve (12) persons, have been registered to vote within the Property for each of the ninety (90) days preceding the date of the election at which the question of levying the Special Taxes is submitted to such qualified electors (the "Election Date"). Otherwise, the Act provides that the vote shall be by the landowners of the Property with each such landowner who is the owner of record on the date on which the election date is established, or the authorized representative of such owner, having one vote for each acre or portion of an acre of land that such landowner owns within the Property.
- F. The provisions of the Act require that such special election be held at least ninety (90), but not more than one hundred eighty days (180), days following the date on which the election date is established; provided, however, any such special election time limit specified by the Act or requirement pertaining to the conduct of such a special election may be waived with the unanimous consent of the qualified elector or qualified electors of the Property and the concurrence of the official conducting the election. As is stated below, it is proposed that the special election shall be held on **October 4, 2018** or such other date upon which all of the qualified electors of the Property and the official conducting the election may concur.

3. The Owner consents to and expressly approves the annexation of the Property to CFD No. 2016-1 and the authorization for the levy of the Special Tax within the Property without further public hearing conducted pursuant to the provisions of the Act. The Owner waives any right which the Owner may have to make any protest or complaint or undertake any legal action challenging the validity of the proceedings of the City Council to authorize the future annexation of the Property to CFD No. 2016-1 or any necessity, requirement, right or entitlement for further public hearing pertaining to the annexation of the Property to CFD No. 2016-1 and the levy of the Special Tax within the Property.

4. Owner certifies that there have been no persons residing within the Property for each of the ninety (90) days preceding the date of this Consent and Waiver.
5. Owner desires that the special election be held on **October 4, 2018** or such other date as the Owner and the City Clerk, acting as the official conducting the election (the "City Clerk"), may mutually agree.
6. Owner knowingly and voluntarily consents to the following:
 - A. To the conduct of the special election on **October 4, 2018** or such other date as the Owner and the City Clerk may mutually agree.
 - B. Owner expressly waives any right which Owner may have to have the special election conducted within the time periods specified in Government Code Section 53326.
 - C. Owner waives any requirement for the mailing of the election ballot.
 - D. Owner further waives any right or entitlement which Owner may have to have the ballot for such election accompanied by arguments for or against the ballot measure and the impartial analysis as otherwise required by Government Code Section 53327.
 - E. Owner waives any protest, complaint or legal action of any nature whatsoever pertaining to the procedures to be undertaken for the conduct of such election, including but not limited to, the shortening of all time periods pertaining to the special election, including but not limited to, the time for holding the special election and the necessity and requirement for any newspaper publication of the notice of such special election and the lack of arguments and impartial analysis.

THIS CONSENT AND WAIVER was executed this 26 day of Sept, 2018, in
Carson, CA.
(City/Unincorporated Area) (State)


Karen Parker

[Remainder of this page intentionally left blank.]

EXHIBIT A

DESCRIPTION OF PROPERTY

The property located in the City of Corona, County of Riverside, State of California, and described as follows:

PARCEL 1

:

THE SOUTHERLY RECTANGULAR 300 FEET OF THE WESTERLY RECTANGULAR 82.5 FEET OF THE EASTERLY RECTANGULAR 165 OF LOT 302 OF ORANGE HEIGHTS DIVISION NO. 2, AS SHOWN BY AMENDED MAP ON FILE IN BOOK 2, PAGE 2 OF MAPS, RECORDS OF RIVERSIDE COUNTY CALIFORNIA.

PARCEL 2:

ALL THAT PORTION OF LOT 302 OF ORANGE HEIGHTS DIVISION NO. 2 AS SHOWN BY AMENDED MAP ON FILE IN BOOK 2 PAGE 2 OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE NORTHERLY LINE OF SAID LOT, WHICH BEARS SOUTH 82° 45' EAST, 494.69 FEET FROM THE NORTHWESTERLY CORNER THEREOF; THENCE SOUTH 82° 45' EAST ALONG THE NORTHERLY LINE OF SAID LOT, 163.74 FEET; THENCE SOUTH 07° 15' WEST AND PARALLEL WITH THE WESTERLY LINE OF SAID LOT, 528.00 FEET TO A POINT ON THE SOUTHERLY LINE THEREOF; THENCE NORTH 82° 45' WEST ALONG THE SOUTHERLY LINE OF SAID LOT, 163.74 FEET; THENCE NORTH 07° 15' EAST AND PARALLEL WITH THE WESTERLY LINE OF SAID LOT, 528 FEET TO THE POINT OF BEGINNING. EXCEPTING THEREFROM THAT PORTION CONVEYED TO CARL F. PLATE AND INEZ S. PLATE, HUSBAND AND WIFE BY DEED RECORDED FEBRUARY 4, 1955 IN BOOK 1690, PAGE 42 OF OFFICIAL RECORDS, DESCRIBED AS FOLLOWS:

ALL THAT PORTION OF LOT 302 OF ORANGE HEIGHTS DIVISION NO. 2 AS SHOWN BY AMENDED MAP ON FILE IN BOOK 2 PAGE 2 OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHERLY LINE OF SAID LOT, WHICH BEARS SOUTH 82° 45' EAST, 494.69 FEET FROM THE NORTHWESTERLY CORNER THEREOF; THENCE SOUTH 82° 45' EAST ALONG THE NORTHERLY LINE OF SAID LOT, 27.5 FEET; THENCE SOUTH 07° 15' WEST AND PARALLEL WITH THE WESTERLY LINE OF SAID LOT, 528.00 FEET TO A POINT ON THE SOUTHERLY LINE THEREOF; THENCE NORTH 82° 45' WEST ALONG THE SOUTHERLY LINE OF SAID LOT, 27.5 FEET; THENCE NORTH 07° 15' EAST AND PARALLEL WITH THE WESTERLY LINE OF SAID LOT, 528 FEET TO THE POINT OF BEGINNING.

PARCEL 3:

ALL THAT PORTION OF LOT 302 OF ORANGE HEIGHTS DIVISION NO. 2 AS SHOWN BY AMENDED MAP ON FILE IN BOOK 2 PAGE 2 OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHERLY LINE OF SAID LOT, WHICH BEARS SOUTH 82° 45' EAST, 494.69 FEET FROM THE NORTHWESTERLY CORNER THEREOF; THENCE SOUTH 82° 45' EAST ALONG THE NORTHERLY LINE OF SAID LOT, 27.5 FEET; THENCE SOUTH 07° 15' WEST AND PARALLEL WITH THE WESTERLY LINE OF SAID LOT, 528.00 FEET TO A POINT ON THE SOUTHERLY LINE THEREOF; THENCE NORTH 82° 45' WEST ALONG THE SOUTHERLY LINE OF SAID LOT, 27.5

FEET; THENCE NORTH 07° 15' EAST AND PARALLEL WITH THE WESTERLY LINE OF SAID LOT, 528 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THE NORTHERLY 228 FEET THEREOF.

PARCEL 4:

ALL THAT PORTION OF LOT 302 OF ORANGE HEIGHTS DIVISION NO. 2 AS SHOWN BY AMENDED MAP ON FILE IN BOOK 2 PAGE 2 OF MAPS, RECORDS OF RIVERSIDE COUNTY, CALIFORNIA, PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE NORTHERLY LINE OF SAID LOT, WHICH BEARS SOUTH 82° 45' EAST, 412.17 FEET FROM THE NORTHWEST CORNER THEREOF; THENCE SOUTH 82° 45' EAST ALONG THE NORTHERLY LINE OF SAID LOT, 82.52 FEET; THENCE SOUTH 07° 15' WEST AND PARALLEL WITH THE WESTERLY LINE OF SAID LOT, 528 FEET TO A POINT ON THE SOUTHERLY LINE THEREOF; THENCE NORTH 82° 45' WEST ALONG THE SOUTHERLY LINE OF SAID LOT, 82.52 FEET; THENCE NORTH 07° 15' EAST AND PARALLEL WITH THE WESTERLY LINE OF SAID LOT, 528 FEET TO THE POINT OF BEGINNING.

EXCEPTING THEREFROM THE NORTHERLY 228 FEET THEREOF.

APN: 113-140-009-7

EXHIBIT "B"
RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX
COMMUNITY FACILITIES DISTRICT NO. 2016-1
(PUBLIC SERVICES)
OF THE CITY OF CORONA

A Special Tax (the "Special Tax") shall be levied on and collected from each Assessor's Parcel (defined below) in Community Facilities District No. 2016-1 (Public Services) (the "CFD No. 2016-1" or "CFD"; defined below), in each Fiscal Year, (defined below), commencing in the Fiscal Year beginning July 1, 2016, in an amount determined by the City Council of the City of Corona, acting in its capacity as the legislative body of CFD No. 2016-1, by applying the rate and method of apportionment set forth below. All of the real property in CFD No. 2016-1, unless exempted by law or by the provisions herein, shall be taxed to the extent and in the manner provided herein.

A. DEFINITIONS

"Administrative Expenses" means the actual or reasonably estimated costs directly related to the formation, annexation, and administration of CFD No. 2016-1 including, but not limited to: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or designee thereof or both); the costs to the City, CFD No. 2016-1, or any designee thereof associated with fulfilling the CFD No. 2016-1 reporting requirements; the costs associated with responding to public inquiries regarding the Special Taxes; the costs of the City, CFD No. 2016-1 or any designee thereof related to an appeal of the Special Tax; and the City's annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 2016-1 for any other administrative purposes of CFD No. 2016-1, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

"Administrator" means the City Manager of the City of Corona, or his or her designee.

"Assessor's Parcel" means a lot or parcel of land that is identifiable by an Assessor's Parcel Number by the County Assessor of the County of Riverside.

"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 the identification number assigned to a parcel by the County Assessor of the County of Riverside.

"CFD" or "CFD No. 2016-1" means the City of Corona Community Facilities District No. 2016-1 (Public Services).

“City” means the City of Corona.

“County” means the County of Riverside.

“Developed Property” means all Assessor’s Parcels of Taxable Property for which a building permit for new construction has been issued on or prior to March 1 preceding the Fiscal Year in which the Special Tax is being levied.

“Developed Multi-Family Property” means all Assessor’s Parcels of Developed Property for which a building permit or use permit for the construction of a residential structure with two or more Residential Units that share a single Assessor’s Parcel Number, as determined by the Administrator, has been issued prior to March 1 preceding the Fiscal Year in which the Special Tax is being levied.

“Developed Single Family Property” means any residential property other than a Developed Multi-Family Property on an Assessor’s Parcel for which a building permit for new construction has been issued by the City on or prior to March 1 preceding the Fiscal Year in which the Special Tax is being levied.

“Exempt Property” means all Assessors’ Parcels designated as being exempt from the Special Tax as provided for in Section E.

“Fiscal Year” means the period from and including July 1st of any year to and including the following June 30th.

“Maximum Special Tax” means the Maximum Special Tax, as applicable, levied within the CFD for any Fiscal Year.

“Future Annexation Area” means any area included inside the boundaries of the proposed boundary map included in Appendix C.

“Proportionately” means for Taxable Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is the same for all Assessor’s Parcels.

“Residential Unit” or “RU” means a residential unit that is used or intended to be used as a domicile by one or more persons, as determined by the Administrator.

“Residential Property” means all Assessor’s Parcels of Taxable Property upon which completed Residential Units have been constructed or for which building permits have been or may be issued for purposes of constructing one or more Residential Units.

“Services” means services permitted under the Mello-Roos Community Facilities Act of 1982 including, without limitation, those services authorized to be funded by CFD No. 2016-1 as set forth in Appendix B.

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

"Special Tax Requirement" means the amount to be collected in any Fiscal Year to pay for certain costs as required to meet the public safety needs of CFD No. 2016-1 in both the current Fiscal Year and the next Fiscal Year. The costs to be covered shall be the direct costs for (i) police protection services, (ii) fire protection and suppression services, (iii) paramedic services, (iv) fund an operating reserve for the costs of Services as determined by the Administrator, and (v) Administrative Expenses. Under no circumstances shall the Special Tax Requirement include funds for bonds.

"Taxable Property" means all Assessor’s Parcels within CFD No. 2016-1, which are not Exempt Property.

“Taxable Unit” means a Residential Unit.

B. RATE AND METHOD OF APPORTIONMENT OF MAXIMUM SPECIAL TAX RATES

As of July 1 of each Fiscal Year, commencing July 1, 2016, the Council shall determine the Special Tax Requirement and shall levy the Special Tax upon each of the Assessor’s Parcels within the CFD which constitute a Developed Single Family Property or a Developed Multi-Family Property until the aggregate amount of Special Tax equals the Special Tax Requirement. The Special Tax shall be levied Proportionately on all Assessor’s Parcels of Developed Property up to 100% of the applicable Maximum Special Tax to satisfy the Special Tax Requirement.

The Maximum Special Tax for Fiscal Year 2016-2017 for a Developed Single Family Property and a Developed Multi-Family Property are shown below in Table 1.

TABLE 1
MAXIMUM SPECIAL TAX RATES
FISCAL YEAR 2016-2017

Description	Taxable Unit	Maximum Special Tax
Developed Single Family Property	RU	\$516
Developed Multi-Family Property	RU	\$358

Increase in the Maximum Special Tax

On each July 1, commencing on July 1, 2017 the Maximum Special Tax for Developed Property shall increase by i) the percentage increase in the Consumer Price Index (All Items)

for Los Angeles - Riverside - Orange County (1982-84 = 100) since the beginning of the preceding Fiscal Year, or ii) by four percent (4.0%), whichever is greater.

No Special Tax shall be levied on property which, at the time of adoption of the Resolution of Formation for CFD No. 2016-1 is an Exempt Property.

C. FUTURE ANNEXATIONS

It is anticipated that additional properties will be annexed to CFD No. 2016-1 from time to time. Pursuant to California Government Code section 53339 et seq., the rate and method adopted for the annexed property shall reflect the Maximum Special Tax rate at the then current year's Maximum Special Tax rate as set forth in Appendix A.

D. TERM OF SPECIAL TAX

For each Fiscal Year, the Maximum Special Taxes shall be levied as long as the Services are being provided within the boundaries of CFD No. 2016-1.

E. EXEMPTIONS

The City shall classify as Exempt Property within CFD No. 2016-1, any Assessor's Parcel in any of the following categories; (i) Assessor's Parcels which are owned by, irrevocably offered for dedication, encumbered by or restricted in use by any public entity; (ii) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement; (iii) Assessor's Parcels which are privately owned but are encumbered by or restricted solely for public uses; (iv) any Assessor's Parcel which is in use in the performance of a public function as determined by the Administrator; or (v) Assessor's Parcel which is not a Developed Single Family Property or a Developed Multi-Family Property.

F. APPEALS

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

G. MANNER OF COLLECTION

The Maximum Special Taxes levied in each Fiscal Year 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. However, the District may collect the Special Tax at a different time or in a different manner if necessary to meet its financial obligations.

The Maximum Special Taxes when levied shall be secured by the lien imposed pursuant to Section 3115.5 of the Streets and Highways Code. This lien shall be a continuing lien and shall secure each levy of Maximum Special Taxes. The lien of Maximum Special Taxes shall continue in force and effect until the Special Tax ceases to be levied in the manner provided by Section 53330.5 of the Government Code.

APPENDIX A

CITY OF CORONA
COMMUNITY FACILITIES DISTRICT NO. 2016-1
(PUBLIC SERVICES)

ANNEXATION SUMMARY

Public Services - It is estimated that the cost of providing police, fire protection, and paramedic services being funded by the Special Tax for the Community Facilities District No. 2016-1 (Public Services) will be as follows for the Fiscal Year 2016-2017:

- \$516 per residential unit for Developed Single Family Residential Property
- \$358 per residential unit for Developed Multi-Family Residential Property

Annual Escalation - On each July 1, commencing on July 1, 2017 the Maximum Special Tax for Developed Property shall increase by i) the percentage increase in the Consumer Price Index (All Items) for Los Angeles - Riverside - Orange County (1982-84 = 100) since the beginning of the preceding Fiscal Year, or ii) by four percent (4.0%), whichever is greater.

Annex. #	Fiscal Year	Tract	Development Name	No. of Taxable Units	Land Use Category	Maximum Special Tax at Annex.	Subdivider
Original	2016-17	36355	Village of Terrassa	146	Developed Single Family Property	\$516	Tri Pointe Homes, Inc
1	2017-18	36533	Monteolivo	103	Developed Single Family Property	\$516	Mari Girgis, LLC
2	2017-18	36427	Boardwalk Townhomes	148	Developed Multi-Family Property	\$358	LCG Harrington, LLC
3	2017-18	37057	Valencia & Seville	92	Developed Single Family Property	\$536.64	Van Daele
4	2017-18	36294	Bedford	Up to 1621	Developed Single Family Property	\$536.64	Arantine Hills Holdings, LP
5	2017-18	36541	Sierra Bella	237	Developed Single Family Property	\$536.64	CalAtlantic Group, Inc.
6	2017-18	35661	The Monterey	149	Developed Multi-Family Property	\$372.32	Vista Monterey 91, LLC
7	2017-18	31373		25	Developed Single Family Property	\$536.64	Yehnes El Kaseer, LLC
8	2017-18	36544	Skyline Heights	292	Developed Single Family Property	\$536.64	JHB Colony Investments, LLC and American Superior Land, LLC
9	2018-19	33135	Kraemer Ranch	62	Developed Single Family Property	\$558.11	Knowleton Communities
10	2019-20	37114		4	Developed Single Family Property	\$580.43	Karen Parker

APPENDIX B

CITY OF CORONA COMMUNITY FACILITIES DISTRICT NO. 2016-1 (PUBLIC SERVICES)

DESCRIPTION OF AUTHORIZED SERVICES

The services which may be funded with proceeds of the special tax of CFD No. 2016-1, as provided by Section 53313 of the Act, will include some or all of the costs attributable to public safety.

These services include police protection services (including but not limited to criminal justice services), fire protection and suppression services, and paramedic services.

In addition to payment of the cost and expense of the forgoing services, proceeds of the special tax may be expended to pay "Administrative Expenses" as said term is defined in the Rate and Method of Apportionment and to establish an operating reserve for the costs of services as determined by the Administrator.

The above services shall be limited to those provided within the boundaries of CFD No. 2016-1 and the Future Annexation Area of CFD No. 2016-1 or for the benefit of the properties within the boundaries of CFD No. 2016-1 and the Future Annexation Area of CFD No. 2016-1, as the boundary is expanded from time to time by anticipated annexations, and said services may be financed by proceeds of the special tax of CFD No. 2016-1 only to the extent that they are in addition to those provided in the territory of CFD No. 2016-1 before CFD No. 2016-1 was created.

EXHIBIT "C"

DESCRIPTION OF AUTHORIZED SERVICES

The services which may be funded with proceeds of the special tax of CFD No. 2016-1, as provided by Section 53313 of the Act, will include

Public Safety Services: The annual costs of police protection services (including but not limited to criminal justice services), fire protection and suppression services, and paramedic services, within and in the area of the proposed community facilities district.

The community facilities district shall also finance costs associated with the determination of the amount of and the levy and collection of special taxes which are levied to provide such services and costs otherwise incurred in order to carry out the authorized purposes of the community facilities district.

The above services shall be limited to those provided within the boundaries of CFD No. 2016-1 or for the benefit of the properties within the boundaries of CFD No. 2016-1, as the boundary is expanded from time to time by anticipated annexations, and said services may be financed by proceeds of the special tax of CFD No. 2016-1 only to the extent that they are in addition to those provided in the territory of CFD No. 2016-1 before CFD No. 2016-1 was created or such properties are annexed to CFD No. 2016-1.