

**RESOLUTION NO.
RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COTATI FOR THE
FORMATION OF A COMMUNITY FACILITIES DISTRICT; CONDITIONAL
AUTHORIZATION TO LEVY A SPECIAL TAX; AND CONDITIONAL
ESTABLISHMENT OF AN INITIAL APPROPRIATIONS LIMIT FOR CFD NO. 2017-
01 (PUBLIC SERVICES)**

WHEREAS, reference is made to the Resolution of Intention, Resolution No. 2017-43 (the “Resolution of Intention”) and the Resolution Approving Boundary Map, Resolution No. 2007-44, which were adopted by the City Council of the City of Cotati (the “City Council”) on July 25, 2017, establishing (a) the boundary of the community facilities district proposed to be established pursuant to the Mello-Roos Community Facilities Act of 1982 (Sections 53311 and following, California Government Code; hereafter in this resolution, the “Act”), (b) the area proposed to be designated as future annexation area (the “Future Annexation Area”) as provided by the Act, (c) the Authorized CFD Public Services (as defined in the Resolution of Intention), and (d) the rate and method of apportionment of the special tax proposed to be levied on the land within the community facilities district.

WHEREAS, in the Resolution of Intention, the City Council scheduled a public hearing with respect to these proceedings for this date, and, as evidenced by a proof of publication on file with the Deputy City Clerk, a notice of the public hearing was published as prescribed by the Resolution of Intention and in conformity with the Act; and

WHEREAS, at the time set for the public hearing on this date, this City Council conducted the public hearing, and at the close of the public hearing determined that a majority protest under Section 53324 of the Act was not made at the hearing; and

WHEREAS, this City Council wishes by this resolution (a) to declare the formation of the City of Cotati Community Facilities District No. 2017-01 (Public Services) (“CFD No. 2017-01”), (b) to identify the Authorized CFD Public Services, (c) to provide for the future annexation of the Future Annexation Area without additional hearings, as prescribed by the Act; and (d) subject to voter approval, to (i) authorize the levy of a special tax on the land within CFD No. 2017-01, (ii) provide the rate and method of apportionment of the special tax, and (iii) establish the initial annual appropriations limitation for CFD No. 2017-01, all as more fully set forth herein.

WHEREAS, the action of forming this CFD does not constitute a project as defined by California Environmental Quality Act Guidelines Section 15378; therefore, no further environmental review is required.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Cotati hereby finds, determines and resolves as follows:

Section 1. The foregoing recitals are true and correct, and this City Council hereby expressly so finds and determines.

Section 2. There is hereby formed a community facilities district to be known as the City of Cotati Community Facilities District No. 2017-01 (Public Services) (“CFD No. 2017-01”) under the terms of the Act. The boundaries of CFD No. 2017-01 and the Future Annexation Area are shown on the boundary map approved by the Resolution Approving Boundary Map, Resolution No. 2017-44, adopted by this City Council on July 25, 2017, and recorded in the official records of the Sonoma County Recorder on July 27, 2017 in Book 787 of Maps of Assessment and Community Facilities Districts, at page 31-32 as Instrument No. 2017058195 (the “Boundary Map”).

Section 3. The Authorized CFD Public Services proposed to be financed, in whole or in part, by proceeds of the special tax (the “Special Tax”) to be levied on the nonexempt property within CFD No. 2017-01 are described in the Exhibit A attached to this resolution and by this reference made a part hereof. The City Council hereby finds and determines that the proceeds of the Special Tax will only finance the Authorized CFD Public Services which will be provided within CFD No. 2017-01, as the area of the same may be expanded by annexation of portions of the Future Annexation Area from time to time, and which are in addition to the levels of such services being provided at the present time, as authorized by subsection (f) of Section 53313 of the Government Code.

Section 4. Except where funds are otherwise available, and subject to the voter approval required by the Act, the Special Tax is hereby authorized to be levied annually on all nonexempt parcels within CFD No. 2017-01, with the determination as to the first Fiscal Year in which the Special Tax will be levied upon the nonexempt parcels to be made in accordance with the provisions of the rate and method of apportionment of special tax (“RMA”). Upon recordation of (a) the initial notice of special tax lien pursuant to Section 3114.5 of the California Streets and Highways Code (the “S&H Code”) or (b) an amendment to the notice of special tax lien pursuant to Section 3117.5 of the S&H Code as to each portion of the Future Annexation Area, which is hereafter annexed to CFD No. 2017-01, a continuing lien to secure each levy of the Special Tax shall attach to all nonexempt real property within CFD No. 2017-01, and this lien shall continue in force and effect until the Special Tax obligation with respect to any parcel or all of the nonexempt real property is prepaid and permanently satisfied and the lien cancelled in accordance with law or until levy and collection of the Special Tax respecting any parcel or all of the nonexempt real property by the City ceases.

Without limiting the generality of the foregoing, this City Council hereby approves the RMA, as set forth in Exhibit B, which will apply to all nonexempt real property within CFD No. 2017-01.

Section 5. This City Council hereby finds and determines that the provisions of Sections 53313.6, 53313.7 and 53313.9 of the Act, which provide for an adjustment of ad valorem taxes relating to CFD-financed schools, are inapplicable to CFD No. 2017-01.

Section 6. The types of incidental expenses which may be incurred and which are authorized to be paid from the proceeds of the Special Tax are set forth in Exhibit C attached to this resolution and by this reference made a part hereof.

Section 7. This City Council hereby approves the establishment of the initial boundary of CFD No. 2017-01 as shown on the Boundary Map.

Section 8. Advances of funds or contributions of work-in-kind from any lawful source, specifically including but not limited to the City or any owner of property within CFD No. 2017-01 or the Future Annexation Area, may be reimbursed from proceeds of the Special Tax, but any agreement to do so shall not constitute a debt or liability of the City, any member of the City Council or any other officer, employee or agent of the City.

Section 9. The City Engineer/Director of Public Works of the City (the “Director of Public Works”), 201 West Sierra Avenue, Cotati, California, telephone (707) 792-4600, is hereby designated as the “CFD Administrator” as said term is defined in the RMA, and shall be responsible for preparing or causing the preparation annually of a current roll, of the amount of the Special Tax to be levied on each nonexempt parcel, identified by assessor’s parcel number, and for responding to inquiries regarding estimates of future Special Tax levies. The City may contract with private consultants to assist the Director of Public Works in performing the services of CFD Administrator.

Section 10. It is anticipated that the Special Tax will be billed as a separate line item on the regular property tax bill of the County of Sonoma (the "County"). However, this City Council reserves the right, under Section 53340, to utilize any method of collecting the Special Tax which it shall, from time to time, determine to be in the best interests of the City, including, but not limited to, direct billing by the City to the property owners and supplemental billing.

Section 11. Subject to the voter approval required by the Act, this City Council hereby establishes the initial annual appropriations limit for CFD No. 2017-01 at \$250,000 for Fiscal Year 2017-18.

Section 12. On the basis of the information set forth in that certain certificate entitled "Certificate Re Registered Voters" on file with the Deputy City Clerk and presented to this City Council, the qualified electors for the special election to be held in these proceedings shall be the landowners of the land within CFD No. 2017-01 in accordance with Section 53326 of the Act, which provides that each landowner shall be accorded one vote for each acre or portion of an acre owned. The election will be conducted as a mailed-ballot election, and this City Council hereby designates the Deputy City Clerk as the official to conduct the mailed-ballot election.

Section 13. This City Council now finds and determines that all proceedings up to and including the adoption of this resolution were and are valid and in conformity with the requirements of the Act. This finding and determination is final and conclusive in accordance with Section 53325.1(b) of the Act.

Section 14. This resolution shall take effect immediately upon its adoption.

IT IS HEREBY CERTIFIED that the foregoing resolution was duly adopted at a regular meeting of the City Council of the City of Cotati held on the 12th day of September, 2017, by the following vote, to wit:

Approved: _____
Mayor

Attest: _____
Lauren Berges, Deputy City Clerk

Approved as to form:

City Attorney

Attachments:

Exhibits A B and C (PDF)