

ORDINANCE NUMBER 1200

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF COMMUNITY FACILITIES DISTRICT NO. 1-S (SOUTH PERRIS PUBLIC SERVICES), AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN SAID DISTRICT

THE CITY COUNCIL OF THE CITY OF PERRIS, ACTING IN ITS CAPACITY AS THE LEGISLATIVE BODY OF THE COMMUNITY FACILITIES DISTRICT NO. 1-S (SOUTH PERRIS PUBLIC SERVICES), DOES ORDAIN AS FOLLOWS:

Section 1. By the passage of this Ordinance, the City Council authorizes the levy of a special tax at the rate and formula set forth on Exhibit "1" hereto and incorporated herein by reference and set forth in Resolution of the City Council of the City of Perris stating its intention to form Community Facilities District 1-S (South Perris Public Services) (the "District"), adopted on August 29, 2006 (the "Resolution").

Section 2. The City Council, or its designee, 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 on each parcel of land in the District. The special tax to be levied shall not exceed the maximum rates set forth in Exhibit "1", but the special tax may be levied at a lower rate. The City Clerk is authorized and directed to file with the county auditor on or before the 10th day of August of each tax year a certified copy of such ordinance or resolution, accompanied by a list of all parcels subject to the special tax levy, with the tax to be levied on each parcel.

The Special Tax to be levied shall commence with adoption of this Ordinance and be levied in the Fiscal Year 2006-2007 at the Base Year Maximum Special Tax Rate on each parcel of land within the District.

Section 3. Properties or entities of the state, federal or other local governments shall be exempt from the above-referenced and approved special taxes only to the extent set forth in Exhibit "1" hereto and otherwise shall be subject to the tax consistent with the provisions of Section 53317.3 of the Act in effect as of the date of adoption of this Ordinance.

Section 4. All of the collections of the special taxes shall be used only as provided for in the Act and the Resolution. The special taxes shall be levied only so long as needed to accomplish the purposes described in the Resolution.

Section 5. The special taxes shall be collected from time to time, as necessary to meet the financial obligations of Community Facilities District No. 1-S (South Perris Public Services) (the "District"), on the secured real property tax roll in the same manner as ordinary *ad valorem* taxes are collected, or other procedures as may be adopted by the City Council. The City Manager and Finance Director are each hereby authorized and directed to provide or to

cause to be provided all necessary information to the auditor/tax collector of the County of Riverside and to otherwise take all actions necessary in order to effect proper billing and collection of the special taxes, so that the special taxes shall be levied and collected in sufficient amounts and at times necessary to satisfy the financial obligations of the District in each fiscal year, and provision has been made for payment of all of the administrative costs of District. The special taxes may be subject to the same penalties and the same procedure, sale and lien priority, in cases of delinquency, as provided for *ad valorem* taxes as such procedure may be modified by law or this City Council from time to time.

Notwithstanding the foregoing, the City Manager may collect, or cause to be collected, one or more installments of the special taxes by means of direct billing by the District of the property owners within the District, if, in the judgment of the City Manager, such means of collection will reduce the administrative burden of the District in administering the District where it is otherwise appropriate in the circumstances. In such event, the special taxes shall become delinquent if not paid when due as set forth in any such respective billing to the property owners.

Whether the special taxes are levied in the manner provided in the first or the second preceding paragraph, the special taxes 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.

Section 6. This Ordinance relating to the levy of the special taxes is adopted pursuant to the provisions of Section 53340 of the Government Code.

Section 7. The Mayor shall sign this Ordinance and the City Clerk shall attest to the Mayor's signature and then cause the same to be published within fifteen (15) days after its passage at least once in a newspaper of general circulation published and circulated in the City.

Section 8. The City Clerk shall certify to the passage of this Ordinance and shall cause the same to be published as required by law.

ADOPTED, SIGNED and ***APPROVED*** this 31st day of October, 2006.

Mayor, Daryl R. Busch

ATTEST:

City Clerk, Judy L. Haughney

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) §
CITY OF PERRIS)

I, Judy L. Haughney, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY THAT the foregoing Ordinance Number 1200, introduced at a regular meeting of the City Council of the City of Perris held on the 10th day of October, 2006, was duly and regularly adopted by the City Council, acting as the legislative body of Community Facilities District No. 1-S (South Perris Public Services) of the City of Perris, at a regular meeting thereof held on the 31st day of October, 2006, and that it was so adopted by the following called vote:

AYES: Motte, Rogers, Yarbrough, Landers, Busch
NOES:
ABSENT:
ABSTAIN:

City Clerk, Judy L. Haughney

EXHIBIT “1”
(ORDINANCE NUMBER 1200)

CITY OF PERRIS
COMMUNITY FACILITIES DISTRICT NO. 1-S (SOUTH PERRIS PUBLIC SERVICES)
RATE AND METHOD OF APPORTIONMENT

A Special Tax shall be levied on all Taxable Property within the boundaries of the City of Perris Community Facilities District No. 1-S (South Perris Public Services) (“CFD No. 1-S”) and collected each Fiscal Year commencing in Fiscal Year 2006-2007 according to the tax liability determined by the Council, through the application of the rate and method of apportionment of the Special Tax set forth below. All Taxable Property shall be taxed to the extent and in the manner herein provided.

1. Definitions

“**Acreage**” means the land area of an Assessor’s Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable final map, parcel map, condominium plan, or other recorded County parcel map. An Acre means 43,560 square feet of land.

“**Act**” means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California.

“**Administrative Expenses**” means the costs incurred by the City to determine, levy and collect the Special Taxes, including salaries of City employees and the fees of consultants and the costs of collecting installments of the Special Taxes upon the general tax rolls; preparation of required reports, and any other costs required to administer CFD No. 1-S as determined by the City.

“**Annual Cost(s)**” means for each Fiscal Year, the total of 1) the estimated cost of Services as determined by the City; 2) Administrative Expenses, and 3) any amounts needed to cure actual or projected delinquencies in Special Taxes for the current or previous Fiscal Year.

“**Annual Tax Escalation Factor**” means an increase in the Maximum Special Tax Rate each year following the Base Year in an amount not to exceed 2% annually.

“**Assessor**” means the Assessor of the County of Riverside.

“**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 Assessor designating parcel(s) by Assessor’s Parcel Number(s).

“**Assessor's Parcel Number**” means the number assigned to an Assessor’s Parcel by the County for purposes of identification.

“Base Year” means Fiscal Year ending June 30, 2006.

“CFD No. 1-S” means the City of Perris Community Facilities District No. 1-S (South Perris Public Services).

“CFD Administrator” means an official of the City, or designee thereof, responsible for determining the Annual Costs and for levying and collecting the Special Taxes.

“Council” means the City Council of the City of Perris which acts for CFD No. 1-S under the Act.

“County” means the County of Riverside, California.

“Developed Property” means for each Fiscal Year, commencing with Fiscal Year 2006-2007, each Assessor’s Parcel, for which a building permit for new construction was issued prior to May 1 of the previous Fiscal Year.

“Exempt Property” means an Assessor’s Parcel that is not classified as Taxable Property. Exempt Property is not subject to the Special Tax.

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

“Land Use Class” means any of the classes listed in Table 1 under Section 3 below.

“Maximum Annual Special Tax” means the greatest amount of Special Tax, determined in accordance with Section 3 below, which may be levied in any Fiscal Year on any Assessor’s Parcel.

“Multi-Family Unit” means all Developed Property for which building permits have been issued for attached residential units.

“Non-Residential Property” means all Developed Property for which a building permit(s) was issued for a non-residential use.

“Public Property” means any property within the boundaries of CFD No. 1-S, the ownership of which is transferred to a public agency of CFD No. 1-S, and is used for rights-of-way or any other 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 where the public agency has officially agreed to accept the offer of dedication; provided, however, that any property owned by a public agency and leased to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use.

“Residential Property” means all Assessor’s Parcels of Developed Property for which a building permit has been issued for purposes of constructing one or more residential dwelling units.

“**Services**” means services, including 1) police protection services, 2) fire protection services and 3) park maintenance services, that are in addition to those services that were provided within the boundaries of CFD 1-S at the time of formation of CFD 1-S.

“**Single-Family Unit**” means all Developed Property for which a building permit has been issued for single-family detached residential development. Single-Family Unit also includes mobile homes within a mobile home park or on other property.

“**Special Tax**” means any tax levied within CFD No. 1-S pursuant to the Act and this rate and method of apportionment of Special Tax.

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

“**Taxable Property**” means all of the Assessor's Parcels within the boundaries of CFD 1-S that are classified as Residential Property or Non-Residential Property.

2. Land Use Classification

Each Fiscal Year, each Assessor’s Parcel within the boundaries of CFD No. 1-S shall be classified as Taxable Property, Public Property or Exempt Property. Each Assessor’s Parcel of Taxable Property shall be classified as Residential Property or Non-Residential Property. Each Assessor’s Parcel of Residential Property shall be further classified as either a Single-Family Unit or the number of Multi-Family Units located on such Assessor’s Parcel.

3. Maximum Special Tax Rates

**Table 1
Base Year
Maximum Special Tax Rates**

Land Use Class	Description	Maximum Special Tax	Special Tax Levy Basis
1	Residential Property Single-Family Unit	\$313.00	per Unit
2	Residential Property Multi-Family Unit	\$156.50	per Unit
3	Non-Residential Property	\$1,252.00	per Acre

Escalation of Maximum Special Tax

Each Fiscal Year following the Base Year, the Maximum Special Tax Rate shall be increased in accordance with the Annual Tax Escalation Factor and otherwise adjusted as provided in this rate and method of apportionment.

Multiple Land Use Classes

In some instances an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax levied on an Assessor's Parcel shall be the sum of the Maximum Special Taxes for all Land Use Classes located on that Assessor's Parcel. For an Assessor's Parcel that contains both Residential Property and Non-Residential Property, the Acreage of such Assessor's Parcel shall be allocated to each type of property based on the amount of Acreage designated for each Land Use Class as determined by reference to the site plan approved for such Assessor's Parcel. The CFD Administrator's allocation to each type of property shall be final.

4. Method of Apportionment

For each Fiscal Year, the Council shall determine the Annual Costs and levy the Special Tax, until the amount of Special Taxes equals the Annual Costs. The Special Tax shall be levied each Fiscal Year as follows:

First: Calculate the available Special Tax revenues by taxing each Assessor's Parcel of Taxable Property at 100% of its Maximum Special Tax. If revenues are greater than the Annual Costs, then reduce the Special Tax proportionately against all Assessor's Parcels until the tax levy is set at an amount sufficient to cover the Annual Costs.

Second: Levy on each Assessor's Parcel of Taxable Property the amount calculated above. No Special Tax shall be levied on Exempt Property.

The City shall make every effort to correctly assign the number of taxable units and calculate the Special Tax for each Assessor's Parcel. It shall be the burden of the landowner to correct any errors in the determination of the Assessor's Parcels subject to the tax and their Special Tax assignments.

5. Collection of Special Taxes

Collection of the Special Tax shall be by the County in the same manner as *ad valorem* property taxes, and the Special Tax shall be subject to the same penalties and the same lien priority in the case of delinquency as *ad valorem* taxes; provided, however, that the Council may provide other means of collecting the Special Tax, if necessary to meet its financial obligations, including direct billings to the property owners.

6. Administrative Changes and Appeals

Any landowner who pays the Special Tax and claims the amount of the Special Tax levied on his or her Assessor's Parcel is in error shall first consult with the CFD Administrator regarding such error not later than twelve months after first having paid the first installment of the Special Tax that is disputed. 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 believes such error still exists, such person may file a written notice with the City Manager, or designee of the City, appealing the

amount of the Special Tax levied on such Assessor's Parcel. Upon the receipt of such notice, the City Manager, or designee, may establish such procedures as deemed necessary to undertake the review of any such appeal. The City Manager, or designee thereof, shall interpret this Rate and Method of Apportionment and make determinations relative to the administration of the Special Tax and any landowner appeals. The decision of the City Manager, or designee, shall be final and binding as to all persons.

Interpretations may be made by Resolution of the Council for purposes of clarifying any vagueness or ambiguity as it relates to the Special Tax rate, the method of apportionment, the classification of properties, or any definition applicable to CFD No. 1-S.

7. Term of Special Tax

The Special Tax shall be levied annually in perpetuity, unless terminated earlier by the Council.