

BOARD OF SUPERVISORS OF THE COUNTY OF EL DORADO

RESOLUTION NO. 117-2023

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF EL DORADO
OF FORMATION OF COMMUNITY FACILITIES DISTRICT NO. 2023-1 (EAST RIDGE)**

WHEREAS, on June 6, 2023, this Board adopted its Resolution No. 87-2023 captioned "A Resolution of Intention of the Board of Supervisors of the County of El Dorado to Form a Community Facilities District and Levy a Special Tax in Community Facilities District No. 2023-1 (East Ridge) To Finance the Acquisition and Construction of Certain Public Facilities In And For Such Community Facilities District" (the "Resolution of Intention"), stating its intention to form Community Facilities District No. 2023-1 (East Ridge) of the County and designate Improvement Area No. 1 therein ("Improvement Area No. 1") (together, the "CFD") and establish a future annexation area related thereto as the "County of El Dorado Community Facilities District No. 2023-1 (East Ridge) (Future Annexation Area)" (herein, the "Future Annexation Area", all pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with Section 53311, of the California Government Code (the "Act");

WHEREAS, the Resolution of Intention, incorporating a map of the proposed boundaries of the CFD, Improvement Area No. 1 and the Future Annexation Area and stating the facilities to be provided, the intention to issue bonds to finance the cost of providing such facilities, and the rate and method of apportionment of the special tax to be levied within the CFD to pay the principal and interest on bonds in the aggregate principal amount not to exceed a total of \$150,000,000 for all improvement areas, proposed to be issued with respect to the CFD and incidental expenses of the CFD, is on file with the Clerk of the Board and the provisions thereof are incorporated herein by this reference as if fully set forth herein;

WHEREAS, on this date, this Board held a noticed public hearing as required by the Act and the Resolution of Intention relative to the proposed formation of the CFD and issuance of bonds;

WHEREAS, at the hearing all interested persons desiring to be heard on all matters pertaining to the formation of the CFD, Improvement Area No. 1, and the Future Annexation Area, the provision of certain public facilities by the CFD and the respective rate and method of apportionment of the special tax to be levied within Improvement Area No. 1, to pay the cost of the facilities, the principal and interest on the proposed bonded indebtedness in Improvement Area No. 1, and the administrative costs of the County relative to the CFD, all pursuant to the Act and the Resolution of Intention;

WHEREAS, at the hearing evidence was presented to this Board on said matters before it, including a report caused to be prepared by the Auditor-Controller (the "Report") as to the facilities to be provided through the CFD and the estimated costs thereof, a copy of which is on file with the Clerk of the Board, and this Board at the conclusion of said hearing is fully advised in the premises;

WHEREAS, written protests with respect to the formation of the CFD and the designation therein of Improvement Area No. 1, the furnishing, the furnishing of specified types of facilities and the rate and method of apportionment of the special taxes have not been filed

with the Clerk of the Board by fifty percent or more of the registered voters residing within the territory of the CFD and Improvement Area No. 1 or property owners of one-half or more of the area of land within the CFD and Improvement Area No. 1 not exempt from the proposed special tax and the Board is now in a position to proceed to take further actions with regard to the CFD.

NOW, THEREFORE, IT IS HEREBY RESOLVED as follows:

1. **Recitals Correct.** The foregoing recitals are true and correct.
2. **No Majority Protest.** The proposed establishment of the CFD, proposed special tax to be levied within the CFD and issuance of bonds have not been precluded by majority protest pursuant to section 53324 and section 53349 of the Act.
3. **Prior Proceedings Valid.** All prior proceedings taken by this Board in connection with the establishment of the CFD and the levy of the special tax have been duly considered and are hereby found and determined to be valid and in conformity with the Act.
4. **Establishment of CFD.** The community facilities district designated "County of El Dorado Community Facilities District No. 2023-1 (East Ridge)" is hereby established pursuant to the Act.

The improvement area designated "Improvement Area No. 1 of the County of El Dorado Community Facilities District No. 2023-1 (East Ridge)" is hereby established pursuant to the Act.

The future annexation area designated "County of El Dorado Community Facilities District No. 2023-1 (East Ridge) (Future Annexation Area)" is hereby established pursuant to the Act.

5. **Boundaries of CFD.** The boundaries of the CFD, Improvement Area No. 1, and the Future Annexation Area, are shown on proposed map of the CFD heretofore recorded in the El Dorado County Recorder's Office on July 20, 2023 as Document Number 2023-0020156 are hereby approved, are incorporated herein by reference and shall be the boundaries of the CFD, Improvement Area No. 1 and the Future Annexation Area, respectively.

6. **Description of Facilities.** The type of public facilities proposed to be financed by the CFD and pursuant to the Act shall consist of those items set forth, including impact fees to pay for facilities, in Exhibit A hereto and by this reference incorporated herein (the "Facilities").

For Future Improvement Areas, the type of public facilities to be financed by such area may consist of facilities different than the Facilities if the annexed territory is designated as a separate improvement area. Any facilities in addition to or instead of the Facilities shall be identified and approved in the Unanimous Approval executed by property owners in connection with their annexation to the CFD from the Future Annexation Area, and shall be effective without the need for additional Board approval.

7. **Special Tax.**

a. Except to the extent that funds are otherwise available to the Improvement Areas to pay for the Facilities, to pay the principal and interest on bonds and other debt (as defined in the Act) of the County to finance the Facilities, to the repayment of funds advanced by the County for the CFD and including the repayment under any agreement (which shall not constitute a debt or liability of the County) of advances of funds or reimbursement for the lesser of the value or cost of work in-kind provided by any person for the CFD, a special tax (the "Special Tax") sufficient to pay the costs thereof, secured by the recordation of a continuing lien against all non-exempt real property is intended to be levied annually and collected in the same manner as ordinary *ad valorem* property taxes or in such other manner as may be prescribed by this Board.

b. The proposed rate and method of apportionment of the Special Tax among the parcels of real property within Improvement Area No. 1, in sufficient detail to allow each landowner within Improvement Area No. 1 to estimate the maximum amount such owner will have to pay, is attached hereto as Exhibit B to this Resolution and hereby incorporated herein (the "Rate and Method"). The Special Tax for Improvement Area No 1 (the "Improvement Area No. 1 Special Tax") shall not be levied in Improvement Area No. 1 after the 2075-76 fiscal year, except that an Improvement Area No. 1 Special Tax that was lawfully levied in or before the final tax year and that remains delinquent may be collected in subsequent years. Under no circumstances shall the Improvement Area No. 1 Special Tax levied against any parcel in Improvement Area No. 1 used for private residential purposes be increased as a consequence of delinquency or default by the owner of any other parcel or parcels within Improvement Area No. 1 by more than 10 percent.

The proposed rate and method of apportionment of the Special Tax among the parcels of real property within a Future Improvement Area, in sufficient detail to allow each landowner within such Future Improvement Area to estimate the maximum amount such owner will have to pay, shall be set forth in the applicable Unanimous Approval. The Special Tax shall not be levied in a Future Improvement Area after the fiscal year identified in the rate and method for such Future Improvement Area, except that a special tax that was lawfully levied in or before the final tax year and that remains delinquent may be collected in subsequent years. Under no circumstances shall the special tax levied against any parcel in a Future Improvement Area for private residential purposes be increased as a consequence of delinquency or default by the owner of any other parcel or parcels within such Future Improvement Area by more than 10 percent.

For Future Improvement Areas, a different rate and method may be adopted than the Rate and Method adopted for Improvement Area No. 1 if the annexed territory is designated as a separate improvement area. No supplements to the Rate and Method for any of the Improvement Areas and no new rate and method will cause the maximum tax rate in the then-existing territory of the CFD (including Improvement Area No. 1) to increase. The designation as an improvement area of any territory annexing to the CFD, the maximum amount of bonded indebtedness and other debt for such improvement area, the rate and method of apportionment of special tax for such improvement area and the appropriations limit for such improvement area shall be identified and approved in the Unanimous Approval executed by property owners in connection with their annexation to the CFD from the Future Annexation Area. The annexation and related

matters described in the Unanimous Approval shall be implemented and completed without the need for Board approval as long as the following conditions are met:

(i) The rate and method of apportionment of special tax for the new improvement area is prepared by a special tax consultant retained by the County.

(ii) The rate and method of apportionment of special tax for the new improvement area complies with the County's local goals and policies concerning the use of the Act.

(iii) The rate and method of apportionment of special tax for the new improvement area does not establish a maximum special tax amount for the initial fiscal year in which the special tax may be levied for any category of special tax set forth in the Rate and Method for Improvement Area No. 1 that is greater than 135% of the maximum amount of the same or closest category of special tax for the same fiscal year calculated pursuant to the Rate and Method for Improvement Area No. 1.

(iv) The rate and method of apportionment of special tax for the new improvement area does not introduce a type of special tax that was not included in the Rate and Method for Improvement Area No. 1 (e.g., a special tax that is levied and must be paid in a single fiscal year).

(v) The rate and method of apportionment of special tax for the new improvement area includes a mechanism that protects against revenue loss as a result of land use changes to the extent of revenue needed to pay indebtedness of the CFD.

c. Territory in the Future Annexation Area will be annexed into the CFD and a special tax will be levied on such territory only with the Unanimous Approval of the owner or owners of each parcel or parcels at the time that parcel or those parcels are annexed into the CFD. Except to the extent that funds are otherwise available to the CFD to pay for the Facilities and/or the principal and interest as it becomes due on bonds of the CFD issued to finance the Facilities, a Special Tax sufficient to pay the costs thereof, secured by the recordation of a continuing lien against all non-exempt real property in the Future Annexation Area, is intended to be levied annually within the Future Annexation Area, and collected in the same manner as ordinary *ad valorem* property taxes or in such other manner as may be prescribed by this Board.

d. As required by Section 53339.3(d) of the Act, the Board hereby determines that the Special Tax proposed to pay for one or more Facilities to be supplied within the Future Annexation Area will be equal to the Special Taxes levied to pay for the same Facilities in previously-existing areas of the CFD, except that (i) a higher Special Tax may be levied within the Future Annexation Area to pay for the same Facilities to compensate for the interest and principal previously paid from Special Taxes in the original area of the CFD, less any depreciation allocable to the financed Facilities and (ii) a higher Special Tax may be levied in the Future Annexation Area to pay for new or additional Facilities, with or without bond financing.

e. This Board hereby finds that the provisions of Section 53313.6, 53313.7 and 53313.9 of the Act (relating to adjustments to *ad valorem* property taxes and

schools financed by a community facilities district) are inapplicable to the proposed CFD and the Improvement Areas.

8. **Increased Demands.** It is hereby found and determined that the Facilities are necessary to meet increased demands placed upon local agencies as the result of development occurring in the CFD, Improvement Area No. 1, and the Future Annexation Area.

9. **Responsible Official.** The Auditor-Controller of the County of El Dorado, 333 Fair Lane, Placerville, CA 95667, is the officer of the County who will be responsible for preparing annually a current roll of special tax levy obligations by assessor's parcel number, estimating future special tax levies and for establishing procedures to promptly respond to inquiries regarding estimates of future special tax levies.

10. **Tax Lien.** Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the Streets and Highways Code of California, a continuing lien to secure each levy of the special tax shall attach to all nonexempt real property in Improvement Area No. 1, and this lien shall continue in force and effect until the special tax obligation is prepaid and permanently satisfied and the lien canceled in accordance with law or until collection of the tax by the County ceases. Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the Streets and Highways Code of California, a continuing lien to secure each levy of the special tax shall attach to all nonexempt real property annexed to the CFD from the Future Annexation Area, and this lien shall continue in force and effect until the special tax obligation is prepaid and permanently satisfied and the lien canceled in accordance with law or until collection of the tax by the County ceases.

11. **Appropriations Limit.** In accordance with the Act, the annual appropriations limit, as defined by subdivision (h) of Section 8 of Article XIII B of the California Constitution, of the CFD is hereby preliminarily established at \$40 million, and said appropriations limit shall be submitted to the voters of the CFD as hereafter provided. The proposition establishing said annual appropriations limit shall become effective if approved by the qualified electors voting thereon and shall be adjusted in accordance with the applicable provisions of the Act.

12. **Election.** Pursuant to the provisions of the Act, the proposition of the levy of the Improvement Area No. 1 Special Tax and the proposition of the establishment of the appropriations limit for Improvement Area No. 1 specified above shall be submitted to the qualified electors of Improvement Area No. 1 at an election. The time, place and conditions of the election shall be as specified by a separate resolution of the Board. The qualified electors for the election to be held in these proceedings shall be the landowners owning land within the CFD. The County will conduct the election by mailed ballot and hereby designates the Clerk or the Board as the official to conduct the mailed-ballot election.

13. **Conformity With the Act.** This Board 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 determination and finding is final and conclusive in accordance with Government Code Section 53325.1.

14. **Effective Date.** This resolution shall take effect upon its adoption.

PASSED AND ADOPTED by the Board of Supervisors of the County of El Dorado, State of California, at a regular meeting of said Board held on the 25th day of July, 2023, by the following vote of said Board:

AYES:	<u>5</u>	Board Members:	<u>Thomas, Hidahl, Turnboo, Parlin, Laine</u>
NOES:	<u>0</u>	Board Members:	<u>None</u>
ABSENT:	<u>0</u>	Board Members:	<u>None</u>
ABSTAINING:	<u>0</u>	Board Members:	<u>None</u>

Wendy Thomas
Chair of the Board of Supervisors
Wendy Thomas

Attest:
Kim Dawson
Clerk of the Board of Supervisors

By: Thyra Schaffy
Deputy Clerk

I CERTIFY THAT:
THE FOREGOING INSTRUMENT IS A CORRECT COPY OF THE ORIGINAL ON FILE IN THIS OFFICE.

DATE: 7/25/23

ATTEST: Kim Dawson, Clerk of the Board of Supervisors of the County of El Dorado, State of California

By: Thyra Schaffy
Deputy Clerk

Attachments: Exhibit A – List of Facilities
Exhibit B – Rate and Method of Apportionment of Special Tax

EXHIBIT A

County of El Dorado Community Facilities District No. 2023-1 (East Ridge)

LIST OF AUTHORIZED FACILITIES

Authorized facilities that may be funded through County of El Dorado Community Facilities District No. 2023-1 (East Ridge) include the following public improvements:

Transportation Improvements

Eligible roadway improvements include, but are not limited to: acquisition of land and/or easements; roadway design; project management; bridge crossings and culverts; clearing, grubbing, and demolition; grading, soil import/export, paving (including slurry seal, aggregate base), and decorative/enhanced pavement concrete and/or pavers; joint trenches, underground utilities and undergrounding of existing utilities; dry utilities and appurtenances; curbs, gutters, sidewalks, bike trails (including onsite and off-site), enhanced fencing, and access ramps; street lights, signalization, and traffic signal control systems; bus turnouts; signs and striping; erosion control; storm water pollution prevention program, median and parkway landscaping and irrigation; entry monumentation; bus shelters, masonry walls; traffic control and agency fees; rehabilitation, expansion and any other improvements related thereto. Eligible improvements also include any and all necessary underground potable and recycled water, sanitary sewer, and storm drainage system improvements. Engineering and construction staking, inspection and testing, construction management, or as outlined in Other Expenses.

Authorized facilities include the following transportation improvements:

- Valley View Parkway
- County roadways subject to acquisition, improvement and rehabilitation through the El Dorado County Road Fund

Water System Improvements

Authorized facilities include any and all water facilities designed to meet the needs of development within CFD No. 2023-1. These facilities include, but may not be limited to: hydro-prevention booster facilities, acquisition of land and/or easements, water storage, treatment and distribution facilities including waterlines and appurtenances, gate valves, pressure reducing stations, flow meters, fire hydrants, and other improvements related thereto such as site clearing, grading and paving; curbs and gutters; booster pump stations; stand-by generators; site lighting, drainage, sanitary sewer, and water service; landscaping and irrigation; access roads, access gates, and fencing; and striping and signage.

Drainage System Improvements

Authorized facilities include any and all drainage and storm drain improvements designed to meet the needs of development within CFD No. 2023-1. These facilities include but may not be limited to: excavation and grading, pipelines and appurtenances, outfalls and water quality measures, detention/retention basins, drainage pretreatment facilities, pipes, inlets, under drains, manholes, outfalls, inlet and outlet protection, drainage ways/channels, pump stations, landscaping and irrigation; access roads, gates, and fencing; and striping and signage and other improvements related thereto.

Wastewater System Improvements

Authorized facilities include any and all wastewater facilities designed to meet the needs of development within CFD No. 2023-1. These facilities include but may not be limited to sewer pipelines and all appurtenances thereto; sewer manholes; tie-in to existing main line; force mains; fittings; service connections; television camera inspections; lift stations; odor-control facilities; and permitting related thereto; and related sewer system improvements.

Park, Parkway and Open Space Improvements

Authorized facilities include any and all improvements to parks, parkways and open space required for development within CFD No. 2023-1. These facilities include, but may not be limited to: grading, turf, shrubs and trees, landscaping irrigation, site lighting, drainage, sanitary sewer and water service, pedestrian and bicycle trails, protective fencing (including soundwalls), pedestrian/bicycle bridges, storm drain crossings, wetland mitigation, access roads, access gates and fencing and related open space improvements. Authorized facilities include acquisition of any and all parkland as well as open space/bike trail/public access easements, acquisition of land for roads and/or easements required for development within East Ridge CFD No. 2023-1.

Development Impact Fees and Other Fees

CFD No. 2023-1 is authorized to fund the payment of any development impact fees of the County and other public agencies required for development in CFD No. 2023-1, including:

- All County Fees
- Water Hook Up Fees
- Sanitary Sewer Hook Up Fees
- Park Fees
- School Fees

Other Expenses

In addition to the above facilities, other incidental expenses as authorized by the Mello-Roos Community Facilities Act of 1982, including, but not limited to, the cost of planning and designing the facilities (including the cost of environmental evaluation, remediation and mitigation); engineering and surveying; construction staking; utility relocation and demolition costs incidental to the construction of the public facilities; costs of project/construction management; costs (including the costs of legal services) associated with the formation of the Mello-Roos CFD; issuance of bonds (if any); determination of the amount of taxes; collection of taxes; payment of taxes; costs of calculating and providing reimbursements from one-time special tax payments; or costs otherwise incurred in order to carry out the authorized purposes of the CFD; and any other expenses incidental to the formation and implementation of the CFD.