

RESOLUTION NO. 6754

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDLANDS DECLARING INTENTION TO ANNEX TERRITORY TO COMMUNITY FACILITIES DISTRICT NO. 2004-1 OF THE CITY OF REDLANDS AND ADOPTING A MAP OF THE AREA PROPOSED TO BE ANNEXED THERETO (ANNEXATION NO. 4)

WHEREAS, the City Council (the "City Council") of the City of Redlands (the "City") has established Community Facilities District No. 2004-1 of the City of Redlands, County of San Bernardino, State of California (the "Community Facilities District") for the purpose of levying special taxes on parcels of taxable property therein for the purpose of providing certain services which are necessary to meet increased demands placed upon the City as a result of the development of said real property; and

WHEREAS, the City has received a signed petition from the owner and developer of certain parcels of property requesting that said parcels be annexed to the Community Facilities District, and agreeing to the annual levy of special taxes on said property sufficient to pay the costs of such services and costs incidental thereto; and

WHEREAS, the City Council is authorized by Article 3.5 (commencing with Section 53339) of Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code, commonly known as the "Mello-Roos Community Facilities Act of 1982," to annex territory to the Community Facilities District by complying with the procedures set forth in said Article 3.5;

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED BY THE CITY COUNCIL OF THE CITY OF REDLANDS AS FOLLOWS:

Section 1. Intention. The City Council declares its intention to conduct proceedings pursuant to said Article 3.5 for the annexation to the Community Facilities District of the territory described in Exhibit "A" attached hereto. The City Council determines that the public convenience and necessity require that such territory be annexed to the Community Facilities District.

Section 2. Name of District. The name of the existing Community Facilities District is Community Facilities District No. 2004-1 of the City of Redlands, County of San Bernardino, State of California.

Section 3. Description of Territory Proposed To Be Annexed; Annexation Map. The territory which is included in the Community Facilities District is described on the map of the Community Facilities District recorded on May 18, 2004 in Book 76 of Maps of Assessment and Community Facilities Districts, page 94, and as Instrument No. 2004-0347327 in the official records of the County of San Bernardino. The territory proposed to be annexed to the Community

Facilities District is described in Exhibit "A" attached hereto and by this reference made a part hereof. Such territory is also shown and described on the map thereof entitled "Annexation Map No. 4, Community Facilities District No. 2004-1 of the City of Redlands, County of San Bernardino, State of California," which is on file with the City Clerk (the "Annexation Map").

Section 4. Types of Services; Incidental Expenses; Plan for Providing Services.

The services to be provided and financed by the Community Facilities District are the maintenance of parks, parkways and open space including, but not limited to, the maintenance of street trees and landscape, within the Community Facilities District and in the surrounding area. 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 its authorized purposes. The services described above shall be provided, as needed, throughout the Community Facilities District and the territory proposed to be annexed thereto for the benefit of all owners of property and residents of the Community Facilities District and the territory proposed to be annexed thereto. All owners of taxable parcels of property within the Community Facilities District and the territory proposed to be annexed thereto shall pay special taxes at the same rate to finance the annual cost of providing such services.

Section 5. Special Taxes. Except where funds are otherwise available, special taxes sufficient to pay the costs of the services described in Section 4 above and the annual administrative expenses of the City and the Community Facilities District in determining, apportioning, levying and collecting such special taxes, shall be annually levied within the territory proposed to be annexed to the Community Facilities District. Pursuant to Section 53340 of the California Government Code, the special taxes 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, under no circumstances shall the special tax levied against any parcel subject to the levy of the special tax be increased as a consequence of delinquency or default by the owner of any other parcel or parcels within the Community Facilities District by more than ten (10) percent. The rates and method of apportionment of said special taxes shall be as set forth in Exhibit "B" attached hereto and by this reference made a part hereof. The rate of special tax to be levied on property within the territory proposed to be annexed to the Community Facilities District in any fiscal year to pay the cost of the services described in Section 4 above shall be equal to the rate of special tax which will be levied on all other property within the Community Facilities District to pay the cost of such services in such fiscal year.

Section 6. Adoption of Annexation Map. Pursuant to Section 3110.5 of the Streets and Highways Code, the City Council adopts the Annexation Map as the map of the areas proposed to be annexed to the Community Facilities District. Pursuant to Section 3111 of said Code, the City Clerk shall file the original of the Annexation Map in her office and shall file a copy of the Annexation Map with the County Recorder of the County of San Bernardino no later than 15 days prior to the date of the hearing specified in Section 7 hereof.

Section 7. Hearing. A public hearing on the proposed annexation of said territory to the Community Facilities District shall be held at 7:00 p.m. on October 7, 2008 in the Council Chambers at the City of Redlands Civic Center, 35 Cajon Street, Redlands, California.

Section 8. Notice. The City Clerk shall publish a notice of the time and place of said hearing as required by Section 53322 of the California Government Code, and shall also give notice of the hearing by first class mail to each registered voter and landowner within the territory proposed to be annexed to the Community Facilities District as prescribed by Section 53339.4 of said Code. Said notice shall be published at least seven (7) days and mailed at least fifteen (15) days before the date of the hearing and shall contain the information required by said Section 53339.4.

Section 9. Description of Voting Procedures. The voting procedures to be followed in conducting the election on the proposition with respect to the levy of special taxes within the territory proposed to be annexed to the Community Facilities District shall be as follows:

(a) If at the time of the close of the public or protest hearing (hereinafter referred to as the "protest hearing") at least 12 persons are registered to vote within the territory proposed to be annexed to the Community Facilities District, the election shall be conducted by the City Clerk, and shall be held on a date selected by the City Council in conformance with the provisions of Section 53326 of the California Government Code ("Section 53326") and pursuant to the applicable provisions of law regulating elections of the City, insofar as they may be applicable, and pursuant to Section 53326 the ballots for the election shall be distributed to the qualified electors of the territory proposed to be annexed to the Community Facilities District by mail with return postage prepaid and the election shall be conducted as a mail ballot election.

(b) If at the time of the close of the protest hearing, and for at least the preceding 90 days, less than 12 persons have been registered to vote within the territory proposed to be annexed to the Community Facilities District, and pursuant to Section 53326, the vote is therefore to be by the landowners of that territory, with each landowner of record at the close of the protest hearing having one vote for each acre or portion of an acre of land that he or she owns, the election shall be conducted by the City Clerk as follows:

(1) The election shall be held on the earliest date following the conclusion of the protest hearing upon which it can be held pursuant to Section 53326 which may be selected by the City Council, or such earlier date as the owners of land within the territory proposed to be annexed to the Community Facilities District and the City Clerk agree and concur is acceptable.

(2) Pursuant to Section 53326, the election may be held earlier than 90 days following the close of the protest hearing if the qualified electors of the territory proposed to be annexed to the Community Facilities District waive the time limits for conducting the election set forth in Section 53326 by unanimous written

consent and the City Clerk concurs in such earlier election date as shall be consented to by the qualified electors.

(3) Pursuant to Section 53326, ballots for the election shall be distributed to the qualified electors by the City Clerk by mail with return postage prepaid or by personal service.

(4) Pursuant to applicable provisions of law regulating elections of the City which govern the conduct of mail ballot elections, and Division 4 (commencing with Section 4000) of the Elections Code with respect to elections conducted by mail, the City Clerk shall mail or deliver to each qualified elector an official ballot in a form specified by the City Council in the resolution calling the election, and shall also mail or deliver to all such qualified electors a ballot pamphlet and instructions to voter, including a sample ballot identical in form to the official ballot but identified as a sample ballot, a statement pursuant to Section 9401 of the said Code, an impartial analysis by the City Attorney pursuant to Section 9280 of the said Code with respect to the ballot proposition contained in the official ballot, ballot arguments and rebuttals, if any, pursuant to Sections 9281 to 9287, inclusive, of said Code, a return identification envelope with prepaid postage thereon addressed to the City Clerk for the return of voted official ballots, and a copy of this resolution, provided, however, that such statement, analysis and arguments may be waived with the unanimous consent of all the landowners of the territory proposed to be annexed to the Community Facilities District and shall be so stated in the resolution adopted by the City Council calling the election.

(5) The official ballot to be mailed or delivered by the City Clerk to each landowner-voter shall have printed or typed thereon the name of the landowner-voter and the number of votes to be voted by the landowner-voter, and shall have appended to it a certification to be signed by the person voting the official ballot which shall certify that the person signing the certification is the person who voted the official ballot, and if the landowner-voter is other than a natural person, that he or she is an officer of or other person affiliated with the landowner-voter entitled to vote such official ballot, that he or she has been authorized to vote such official ballot on behalf of the landowner-voter, that in voting such official ballot it was his or her intent, as well as the intent of the landowner-voter, to vote all votes to which the landowner-voter is entitled based on its land ownership on the proposition set forth in the official ballot as marked thereon in the voting square opposite such proposition, and further certifying as to the acreage of the landowner-voter's land ownership within the territory proposed to be annexed to the Community Facilities District.

(6) The return identification envelope delivered by the City Clerk to each landowner-voter shall have printed or typed thereon the following: (i) the name of the landowner, (ii) the address of the landowner, (iii) a declaration under penalty of

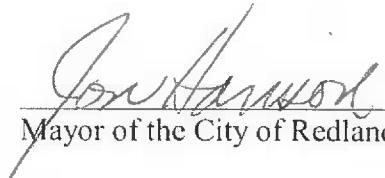
perjury stating that the voter is the landowner or the authorized representative of the landowner entitled to vote the enclosed ballot and is the person whose name appears on the identification envelope, (iv) the printed name and signature of the voter, (v) the address of the voter, (vi) the date of signing and place of execution of said declaration, and (vii) a notice that the envelope contains an official ballot and is to be opened only by the City Clerk.

(7) The information-to-voter form to be mailed or delivered by the City Clerk to the landowner-voters shall inform them that the official ballots shall be returned to the City Clerk properly voted as provided thereon and with the certification appended thereto properly completed and signed in the sealed return identification envelope with the certification thereon completed and signed and all other information to be inserted thereon properly inserted by 5 o'clock p.m. on the date of the election.

(8) Upon receipt of the return identification envelopes which are returned prior to the voting deadline on the date of the election, the City Clerk shall canvass the votes cast in the election, and shall file a statement with the City Council at its next regular meeting regarding the results of such canvass and the election.

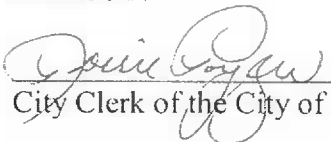
The procedures set forth in this section for conducting the election may be modified as the City Council may determine to be necessary or desirable by a resolution subsequently adopted by the City Council.

ADOPTED this 3rd of September, 2008.



Mayor of the City of Redlands

ATTEST:



City Clerk of the City of Redlands

CERTIFICATE

I, Lorrie Poyzer, City Clerk of the City of Redlands, do hereby certify that the foregoing resolution was regularly adopted by the City Council of said City at an adjourned regular meeting of said Council duly held on the 3rd of September, 2008 by the following vote:

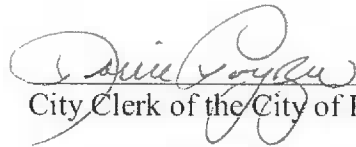
AYES: Councilmembers Gilbreath, Gallagher, Aguilar, Bean; Mayor Harrison

NOES: None

ABSENT: None

ABSTAINED: None

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Redlands this 3RD day of September, 2008.

A handwritten signature in cursive script, appearing to read "Lorrie Poyzer", is written over a horizontal line.

City Clerk of the City of Redlands

EXHIBIT "A"

LEGAL DESCRIPTION
FOR
ANNEXATION NO. 4 TO
COMMUNITY FACILITIES DISTRICT NO. 2004-1
CITY OF REDLANDS, COUNTY OF SAN BERNARDINO
STATE OF CALIFORNIA

That property located in the City of Redlands, County of San Bernardino, State of California, identified as San Bernardino County Assessor's Parcel Nos. 0174-252-20-0000, 0174-252-26-0000, 0174-252-27-0000, 0174-252-28-0000, 0174-252-29-0000, and 0174-252-30-0000.

SHEET 1 OF 1 SHEET

OF THE

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF REDLANDS
THIS 3rd DAY OF September, 2008.

BY: Quinn Bryan
CITY CLERK OF THE CITY OF REDLANDS

THIS MAP HAS BEEN FILED UNDER DOCUMENT NUMBER 2008-0411618
THIS 10TH DAY OF SEPTEMBER, 2008, AT 9:52AM. IN
BOOK 87 OF * _____ AT PAGE 17 _____
THE REQUEST OF WEBB ASSOCIATES
IN THE AMOUNT OF \$ 10.00
* ASSESSMENT MAPS

Recorded in Official Records,
made in this Bureau.

LARRY WALKER
AUDITOR/CONTROLLER-RECORDER
COUNTY OF SAN BERNARDINO

BY: DIANA T. HERNANDEZ
DEPUTY RECORDER

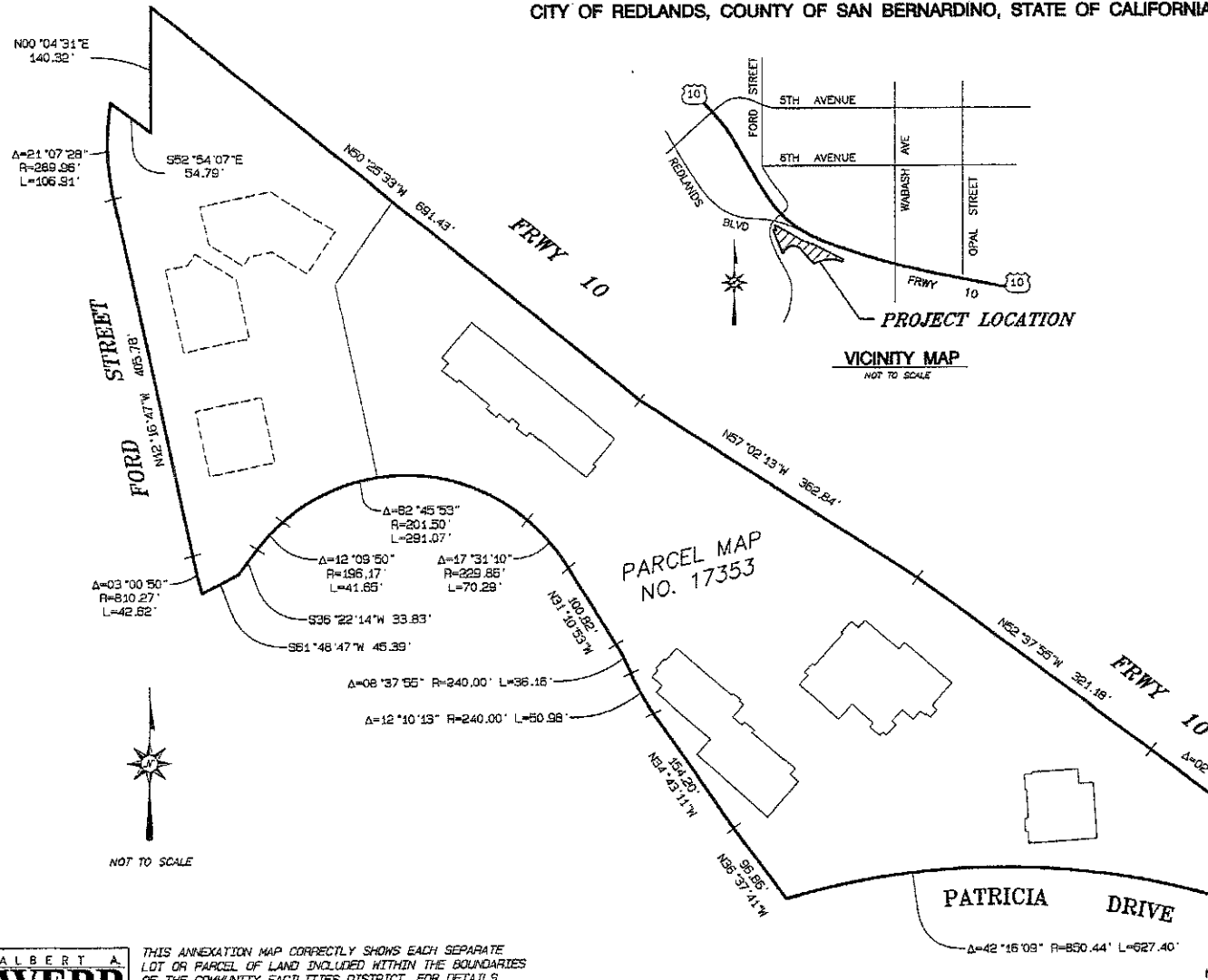
THIS MAP SHOWS THE BOUNDARIES OF AREAS TO BE ANNEXED TO COMMUNITY FACILITIES DISTRICT NO. 2004-1 OF THE CITY OF REDLANDS, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA. THE BOUNDARIES OF WHICH COMMUNITY FACILITIES DISTRICT ARE SHOWN AND DESCRIBED ON THE MAP THEREOF WHICH WAS PREVIOUSLY RECORDED ON MAP 18, 2004-1 OF THE COUNTY CLERK'S OFFICE. COMMUNITY FACILITIES DISTRICTS AT PAGE 94 AND AS INSTRUMENT NO. 2004-0347327 IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA.

I HEREBY CERTIFY THAT THE WITHIN MAP OF THE AREAS TO BE ANNEXED TO COMMUNITY FACILITIES DISTRICT NO. 2004-4 OF THE CITY OF REDLANDS, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF REDLANDS AT A REGULAR MEETING THEREOF, HELD ON THE 3rd DAY OF SEPTEMBER, 2008. WITNESSED BY ITS RESOLUTION NO. 0754

CITY CLERK OF THE CITY OF REDLANDS



W.O. 08-0160



ALBERT A.
WEBB
ASSOCIATES

THIS ANNEXATION MAP CORRECTLY SHOWS EACH SEPARATE LOT OR PARCEL 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'S MAPS FOR FISCAL YEAR 2008-2009.

EXHIBIT "B"

RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2004-1 OF THE CITY OF REDLANDS

A Special Tax (the "Special Tax") shall be levied on and collected from each Parcel of Taxable Property (defined below) in Community Facilities District No. 2004-1 (the "District"), in each Fiscal Year, (defined below), commencing in the Fiscal Year beginning July 1, 2004, in an amount determined by the City Council of the City of Redlands, acting in its capacity, as the legislative body of the District (hereinafter as the "Council"), by applying the rate and method of apportionment set forth below. All of the real property in the District, unless exempted by law or by the provisions herein, shall be taxed for the purposes, to the extent, and in the manner provided herein.

A. DEFINITIONS

"Additional Maintenance" means the maintenance of landscaping for Parcels assigned to a Special Tax Rate Category in addition to the Basic Maintenance, including, but not limited to, the maintenance of significant open space, citrus groves, and firebreaks and extensive medians and parkways.

"Additional Maintenance Rate Per Benefit Unit" means the Special Tax Rate per Benefit Unit that will be levied in any Fiscal Year on Parcels of Taxable Property assigned to a Special Tax Rate Category to pay the cost of Additional Maintenance, if any, for such Parcels, including, but not limited to, the City's administrative costs in levying and collecting the Special Tax and managing and administering the Additional Maintenance in such Fiscal Year.

"Basic Maintenance" means the normal maintenance of basic landscaping within the District, including, but not limited to, parkways, open space areas, medians and street trees and the associated maintenance of bushes, shrubs and ground cover.

"Base Rate Per Benefit Unit" means the Special Tax Rate per Benefit Unit that will be levied in any Fiscal Year on all Parcels of Taxable Property in the District to pay the estimated cost of the Basic Maintenance, including, but not limited to, the City's administrative costs in levying and collecting the Special Tax and managing and administering the Basic Maintenance in such Fiscal Year.

"Benefit Unit" means a Single-family residential lot or dwelling unit or the equivalent. Commercial property is assigned Benefit Units based on acreage with the basis being four (4) Benefit Units per acre, consistent with the average residential density in the City. Industrial

Property is assigned Benefit Units based on acreage with the basis being two (2) Benefit Units per acre. Multi-family property is assigned 60 percent of one Benefit Unit per dwelling unit and Religious Property is assigned two (2) Benefit Units per acre.

“City” means the City of Redlands.

“Council” has the meaning set forth in the preamble.

“Commercial Property” means any Parcel that is used for the purpose of selling, distributing or furnishing a product or service.

“Development” means any approved development and/or improvement of property resulting in the recordation of a final map or the issuance of a building permit.

“District” has the meaning set forth in the preamble.

“Exempt Property” means property that is exempt from the levy of the Special Tax, including all publicly owned or dedicated property, sliver parcels, common lots, open space and any other property that cannot be developed.

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

“Industrial Property” means any Parcel that is used for the purpose of manufacturing a product.

“Land Use Category” means any of the categories contained in Table 1 to which Parcels of Taxable Property are assigned consistent with the land use approvals that have been received or proposed for the Parcel as of March 1 preceding the beginning of a Fiscal Year.

“Maximum Special Tax Rate(s)” means the Maximum Special Tax Rate(s) per Benefit Unit for Parcels in all Special Tax Rate Categories that can be levied by the Council in any Fiscal Year as determined pursuant to Section C. The Maximum Special Tax Rates per Benefit Unit for Parcels in all Special Tax Rate Categories, including the Base Rate Per Benefit Unit and the Additional Maintenance Rate Per Benefit Unit, as set forth in Table 2, shall be increased by 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 by two percent (2%), whichever is greater, on July 1, 2005 for Fiscal Year 2005-06 and on each subsequent July 1 for the Fiscal Year then commencing.

“Multi-family Residential Property” means any Parcel of residential property that consists of a building or buildings comprised of attached residential units available for rental, but not purchase, by the general public and under common ownership and/or management.

“Parcel” means a lot or Parcel of land that is identified by an Assessor’s Parcel Number in the Tax Assessment Roll of the County Assessor of the County of San Bernardino.

“Religious Property” means any Parcel used as a place of worship or for other religious activities.

“Single-family Residential Property” means any Parcel of residential property that is or will be improved with a building comprised of attached or detached residential units available for purchase or rent by the general public.

“Special Tax(es)” means the Special Tax to be levied in each Fiscal Year on each Parcel of Taxable Property.

“Special Tax Rate Category” means any of the categories identified in Table 2 to which Parcels of Taxable Property in a Development are assigned based on the cost of the Basic Maintenance and the cost of the Additional Maintenance, if any, which will be provided to such Parcels.

“Taxable Property” means Parcels that are not Exempt Property.

B. ASSIGNMENT TO LAND USE CATEGORY

Parcels of Taxable Property in a Development shall be assigned to the appropriate Land Use Category contained in Table 1. Such Parcels shall also be assigned to the appropriate Special Tax Rate Category contained in Table 2, based on the estimated cost for providing the Additional Maintenance, if any, to the Development. The Special Tax shall be levied upon and collected from each such Parcel for each Fiscal Year based on the Benefit Units which are assigned to the Parcel as a result of its assignment to the appropriate Land Use Category and Special Tax Rate Category, as provided in Sections C and D.

TABLE 1
Land Use Category

Land Use Category	Description	Benefit Unit(s)
1	Single-family Residential	One (1) / Residence
2	Commercial	Five (5) / Acre
3	Industrial	Two (2) / Acre
4	Multi-family Residential	Six tenths (0.6) / Residential Unit
5	Religious Property	Two (2) / Acre

C. MAXIMUM SPECIAL TAX RATES

The Maximum Special Tax Rate per Benefit Unit for each Parcel for each Fiscal Year shall be the total of the Base Rate Per Benefit Unit plus the Additional Maintenance Rate Per Benefit Unit for the Special Tax Rate Category to which the Parcel is assigned. For Fiscal Year 2004-05 the Base Rate Per Benefit Unit and the Additional Maintenance Rate Per Benefit Unit for each Special Tax Category shall be the amounts set forth in Table 2 for such Special Tax Rate Category. The Base Rates Per Benefit Unit and the Additional Maintenance Rates Per Benefit Unit for all Parcels in all Special Tax Rate Categories shall be increased by 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 by two percent (2%), whichever is greater, on July 1, 2005 for Fiscal Year 2005-06 and on each subsequent July 1 for the Fiscal Year then commencing.

TABLE 2
Maximum Special Tax Rates

Special Tax Rate Category	<u>Maximum</u> Rates Per Benefit Unit	
	<u>Base Rate</u>	<u>Additional Maintenance Rate</u>
A	\$250	\$0
B	\$250	\$100
C	\$250	\$200
D	\$250	\$300
E	\$250	\$400
F	\$250	\$500
G	\$250	\$600
H	\$250	\$700
I	\$250	\$800
J	\$250	\$900
K	\$250	\$1,000
L	\$250	\$1,100
M	\$250	\$1,200
N	\$250	\$1,300
O	\$250	\$1,400
P	\$250	\$1,500
Q	\$250	\$1,600
R	\$250	\$1,700
S	\$250	\$1,800
T	\$250	\$1,900
U	\$250	\$2,000
V	\$250	\$2,100
W	\$250	\$2,200
X	\$250	\$2,300
Y	\$250	\$2,400
Z	\$250	\$2,500

The Parcels which are to be included in the District at the time of its formation and which are identified in Table 3 shall be assigned to the Land Use Category and the Special Tax Rate Category specified in Table 3.

TABLE 3
Assignment to Land Use Category
and Special Tax Rate Category

<u>Tract No.</u>	<u>Land Use Category</u>	<u>Special Tax Rate Category</u>
16408	One (1)	K

D. METHOD OF APPORTIONMENT AND LEVY OF ANNUAL SPECIAL TAX

For each Fiscal Year, commencing with Fiscal Year 2004-05, the Council shall (a) determine the cost of providing the Basic Maintenance in the District and the amount of the Base Rate Per Benefit Unit to be levied on Parcels of Taxable Property in the District to pay the cost of the Basic Maintenance; (b) determine the cost of providing the Additional Maintenance, if any, for each Special Tax Rate Category, as then applicable, and the amount of the Additional Maintenance Rate Per Benefit Unit, if any, to be levied on Parcels of Taxable Property in each Special Tax Rate Category to pay the cost the Additional Maintenance therefor; and (c) levy the Special Tax on all Parcels of Taxable Property in each Special Tax Rate Category, as then applicable. The amount of the Special Tax to be levied on any Parcel of Taxable Property in any Fiscal Year shall be determined by multiplying the Benefit Units for the Parcel, depending on the Land Use Category to which it is assigned, by the Base Rate Per Benefit Unit and the Additional Maintenance Rate Per Benefit Unit, if any, determined pursuant to clauses (a) and (b) above, for the Special Tax Rate Category to which the Parcel is assigned.

No Special Tax shall be levied on property which, at the time of adoption of the Resolution of Formation for the District, is Exempt Property.

E. FUTURE ANNEXATIONS

It is anticipated that additional properties will be annexed to the District from time to time. As each annexation is proposed, an analysis will be prepared to determine the types and area of landscaping to be maintained, *i.e.*, Basic Maintenance and/or Additional Maintenance, if any, and the estimated annual cost of providing the Additional Maintenance, if any, to the property. Based on this analysis, the property to be annexed will be assigned to the appropriate Special Tax Rate Category contained in Table 2.