



## STAFF REPORT

DATE: JULY 17, 2012  
 TO: HONORABLE MAYOR AND CITY COUNCIL  
 FROM: ROD FOSTER, CITY MANAGER *R. Foster*  
 PREPARED BY: BONNIE JOHNSON, MANAGEMENT SERVICES DIRECTOR *B. Johnson*  
 SUBJECT: AUTHORIZATION OF THE 2012-2013 ANNUAL SPECIAL TAX FOR  
 COMMUNITY FACILITIES DISTRICT (CFD) 87-1, 88-1, 89-1, 89-2  
 AND 90-1

### RECOMMENDED ACTION

It is recommended that the City Council approve resolutions R-31-12, R-32-12, R-33-12, R-34-12 and R-35-12 authorizing the 2012-13 annual special tax levy for CFDs 87-1, 88-1, 89-1, 89-2 and 90-1, respectively.

### GOAL STATEMENT

The recommended action will support the City's goal to meet the CFDs debt service obligations.

### BACKGROUND

Pursuant to the Mello-Roos Community Facilities Act of 1982, at various times in the past the City Council approved the issuance of bonds for the purpose of funding infrastructure improvements within certain established boundaries, or districts. These districts are identified as Community Facilities District (CFD) 87-1, 88-1, 89-1, 89-2 and 90-1. Property owners within the CFDs are obligated to pay the debt service and administrative costs related to the bonds as those properties benefited from the improvements. Annual taxes placed on the tax roll are the mechanism used to fund all costs.

### ISSUES/ANALYSIS

The outstanding bonds are not an obligation of the City. The City acts in a fiduciary capacity by administering the levy and subsequent collection of the annual assessments. In turn, the City uses the revenue from the annual assessments to pay the debt and related costs on behalf of the property owners.

### FISCAL IMPACTS

The collected revenues are restricted and thus are accounted for in a separate fund for each respective CFD, along with the related debt service payments and administrative expenditures. These funds are invested in separate bank accounts and/or administered by a third party fiscal agent.

The recommended 2012-13 tax levies, by district, are as follows:

CFD Area	2012-13 Annual Levy	Description
CFD 87-1	\$102,376.98	3.1% decrease in the levy from FY 2011-12.
CFD 88-1	\$208,074.32	2.95% decrease in the levy from FY 2011-12.
CFD 89-1	\$247,204.40	No change in the levy over FY 2011-12.
CFD 89-2	\$322,498.80	0.1% decrease in the levy from FY 2011-12.
CFD 90-1	\$269,266.04	No change in the levy over FY 2011-12.

Above decreases are a result of lower interest costs due to declining outstanding principal.

#### **ALTERNATIVES**

1. Provide alternative direction to staff.

#### **ATTACHMENTS**

City Resolution No. R-31-12 for CFD 87-1  
City Resolution No. R-32-12 for CFD 88-1  
City Resolution No. R-33-12 for CFD 89-1  
City Resolution No. R-34-12 for CFD 89-2  
City Resolution No. R-35-12 for CFD 90-1

**RESOLUTION No. R-31-12 AUTHORIZING THE LEVY  
OF A SPECIAL TAX IN COMMUNITY FACILITIES  
DISTRICT NO. 87-1 FOR FISCAL YEAR 2012/2013.**

**RESOLUTION NO. R-31-12**

**A RESOLUTION OF THE CITY COUNCIL OF COLTON, CALIFORNIA  
AUTHORIZING THE LEVY OF A SPECIAL TAX IN COMMUNITY  
FACILITIES DISTRICT NO. 87-1 FOR FISCAL YEAR 2012/2013.**

**WHEREAS**, the CITY COUNCIL of the CITY OF COLTON, CALIFORNIA previously undertook proceedings to form a community facilities district (this Community Facilities District is designated as COMMUNITY FACILITIES DISTRICT NO. 87-1 and is referred to herein as the "District"), and conducted an election and received a favorable vote from the qualified electors authorizing the levy of a special tax in the District, all as authorized pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982", being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the "Act"); and

**WHEREAS**, the Act authorized the City Council to levy the special taxes at the rate and apportion them in the manner as approved by the qualified electors and further authorized the City Council to thereafter provide, by resolution, for the levy of the special tax in the current tax year or future tax years at the same rate or at a lower rate than the rate provided by the ordinance; and

**WHEREAS**, the City Council desires to authorize the levy of the special tax by resolution for the current and all future tax years.

**NOW, THEREFORE BE IT RESOLVED, DETERMINED, AND ORDERED BY THE CITY COUNCIL FOR THE DISTRICT, AS FOLLOWS:**

**SECTION 1.** That the above recitals are all true and correct.

**SECTION 2.** That the City Council does, by the passage of this resolution, authorize the levy of special taxes at the rate and formula as set forth in Exhibit "A" attached hereto, referenced and so incorporated.

**SECTION 3.** That the City Council is hereby further authorized, by Resolution, to

*216*

determine the specific special tax rate and amount to be levied for the then current tax year  
1 or future tax years, except that the special tax rate to be levied shall not exceed that as set  
2 forth in Exhibit "A", but the special tax may be levied at a lower rate.  
3

4 **SECTION 4.** The proceeds of the above authorized and levied special tax may only  
5 be used to pay, in whole or in part, the costs of the following:

- 6 A. Payment of principal of and interest on any outstanding authorized bonded  
7 indebtedness;
- 8 B. Necessary replenishment of bond reserve funds or other reserve funds;
- 9 C. Payment of costs and expenses of authorized public facilities;
- 10 D. Repayment of advances and loans, as appropriate; and
- 11 E. Payment of District administrative costs.

12 The proceeds of the special tax shall be used as set forth above, and shall not be used for  
13 any other purpose.  
14

15 **SECTION 5.** The above authorized special tax shall be collected in the same  
16 manner as ordinary ad valorem taxes are collected and shall be subject to the same penalties  
17 and the same procedure, sale and lien priority in case of delinquency as is provided for ad  
18 valorem taxes, and the Tax Collector is hereby authorized to deduct reasonable  
19 administrative costs incurred in collecting any such special tax.  
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21 **SECTION 6.** The above authorized special tax shall be secured by the lien imposed  
22 pursuant to Sections 3114.5 and 3115.5 of the Streets and Highways Code of the State of  
23 California, which lien shall be a continuing lien and shall secure each levy of the special tax.  
24 The lien of the special tax shall continue in force and effect until the special tax obligation is  
25 prepaid, permanently satisfied and canceled in accordance with Section 53344 of them  
26 Government Code of the State of California or until the special tax ceases to be levied by the  
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## Exhibit A

<b>City of Colton</b>	
<b>2012/13 Special Tax Levy</b> Community Facilities District 87-1	
Levy Components	2012/13
PRINCIPAL AND INTEREST	
Principal	\$60,000.00
Interest	28,710.00
<b>TOTAL</b>	<b>\$88,710.00</b>
ADMINISTRATION COSTS	
City Staff and Expenses	\$7,000.00
County Auditor and Assessor Fees	115.80
Registrar/Transfer/Paying Agent Fees	2,220.00
Consulting Services and Expenses	3,838.19
Delinquency Management Allowance	500.00
<b>TOTAL</b>	<b>\$13,673.99</b>
<b>Total Principal, Interest and Admin Costs</b>	<b>\$102,383.99</b>
ADJUSTMENTS APPLIED TO LEVY	
Replenishment/ (Credit)	\$0.00
<b>TOTAL</b>	<b>\$0.00</b>
TOTAL CHARGE	
<b>Special Tax Requirement</b>	<b>\$102,383.99</b>
<b>Applied Charge at Projected Rate</b>	<b>\$102,376.98</b>
Difference (due to rounding)	\$7.01
SPECIAL TAX RATES *	
Developed Residential Units	387
Maximum Special Tax Rate	\$675.69
Projected Special Tax Rate for 2012/13	\$264.54

\* The projected special tax rate is based on the proposed budget shown and reflects a -3.1% change from the prior year's levy.

**RESOLUTION No. R-32-12 AUTHORIZING THE LEVY  
OF A SPECIAL TAX IN COMMUNITY FACILITIES  
DISTRICT NO. 88-1 FOR FISCAL YEAR 2012/2013.**

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**RESOLUTION NO. R-32-12**

**A RESOLUTION OF THE CITY COUNCIL OF COLTON, CALIFORNIA  
AUTHORIZING THE LEVY OF A SPECIAL TAX IN COMMUNITY  
FACILITIES DISTRICT NO. 88-1 FOR FISCAL YEAR 2012/2013.**

**WHEREAS**, the CITY COUNCIL of the CITY OF COLTON, CALIFORNIA previously undertook proceedings to form a community facilities district (this Community Facilities District is designated as COMMUNITY FACILITIES DISTRICT NO. 88-1 and is referred to herein as the "District"), and conducted an election and received a favorable vote from the qualified electors authorizing the levy of a special tax in the District, all as authorized pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982", being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the "Act"); and

**WHEREAS**, the Act authorized the City Council to levy the special taxes at the rate and apportion them in the manner as approved by the qualified electors and further authorized the City Council to thereafter provide, by resolution, for the levy of the special tax in the current tax year or future tax years at the same rate or at a lower rate than the rate provided by the ordinance; and

**WHEREAS**, the City Council desires to authorize the levy of the special tax by resolution for the current and all future tax years.

**NOW, THEREFORE BE IT RESOLVED, DETERMINED, AND ORDERED BY THE CITY COUNCIL FOR THE DISTRICT, AS FOLLOWS:**

**SECTION 1.** That the above recitals are all true and correct.

**SECTION 2.** That the City Council does, by the passage of this resolution, authorize the levy of special taxes at the rate and formula as set forth in Exhibit "A" attached hereto, referenced and so incorporated.

**SECTION 3.** That the City Council is hereby further authorized, by Resolution, to

determine the specific special tax rate and amount to be levied for the then current tax year  
1 or future tax years, except that the special tax rate to be levied shall not exceed that as set  
2 forth in Exhibit "A", but the special tax may be levied at a lower rate.  
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4 **SECTION 4.** The proceeds of the above authorized and levied special tax may only  
5 be used to pay, in whole or in part, the costs of the following:

- 6 A. Payment of principal of and interest on any outstanding authorized bonded  
7 indebtedness;
- 8
- 9 B. Necessary replenishment of bond reserve funds or other reserve funds;
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- 11 C. Payment of costs and expenses of authorized public facilities and services;
- 12
- 13 D. Repayment of advances and loans, as appropriate; and
- 14 E. Payment of District administrative costs.

15 The proceeds of the special tax shall be used as set forth above, and shall not be used for  
16 any other purpose.

17 **SECTION 5.** The above authorized special tax shall be collected in the same manner as  
18 ordinary ad valorem taxes are collected and shall be subject to the same penalties and the  
19 same procedure, sale and lien priority in case of delinquency as is provided for ad valorem  
20 taxes, and the Tax Collector is hereby authorized to deduct reasonable administrative costs  
21 incurred in collecting any such special tax.  
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23 **SECTION 6.** The above authorized special tax shall be secured by the lien imposed  
24 pursuant to Sections 3114.5 and 3115.5 of the Streets and Highways Code of the State of  
25 California, which lien shall be a continuing lien and shall secure each levy of the special tax.  
26 The lien of the special tax shall continue in force and effect until the special tax obligation is  
27 prepaid, permanently satisfied and canceled in accordance with Section 53344 of them  
28 Government Code of the State of California or until the special tax ceases to be levied by the  
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## Exhibit A

<b>City of Colton</b>	
<b>2012/13 Special Tax Levy</b> Community Facilities District 88-1	
Levy Components	2012/13
PRINCIPAL AND INTEREST	
Principal	\$165,000.00
Interest	34,676.26
<b>TOTAL</b>	<b>\$199,676.26</b>
ADMINISTRATION COSTS	
City Staff and Expenses	\$7,000.00
County Auditor and Assessor Fees	116.40
Registrar/Transfer/Paying Agent Fees	2,220.00
Consulting Services and Expenses	4,062.97
Delinquency Management Allowance	1,000.00
<b>TOTAL</b>	<b>\$14,399.37</b>
<b>Total Principal, Interest and Admin Costs</b>	<b>\$214,075.63</b>
ADJUSTMENTS APPLIED TO LEVY	
Replenishment/ (Credit)	(6,000.00)
<b>TOTAL</b>	<b>(\$6,000.00)</b>
TOTAL CHARGE	
<b>Special Tax Requirement</b>	<b>\$208,075.63</b>
<b>Applied Charge at Projected Rate</b>	<b>\$208,074.32</b>
Difference (due to rounding)	\$1.31
SPECIAL TAX RATES *	
<b>Developed Colton Residential Units</b>	<b>180</b>
<b>Maximum Special Tax Rate</b>	<b>\$871.84</b>
<b>Projected Special Tax Rate for 2012/13</b>	<b>\$705.14</b>
<b>Developed San Bernardino Residential Units</b>	<b>208</b>
<b>Maximum Special Tax Rate</b>	<b>\$759.27</b>
<b>Projected Special Tax Rate for 2012/13</b>	<b>\$390.14</b>

\* The projected special tax rate is based on the proposed budget shown and reflects a -2.95% change from the prior year's levy.

**RESOLUTION No. R-33-12 AUTHORIZING THE LEVY  
OF A SPECIAL TAX IN COMMUNITY FACILITIES  
DISTRICT NO. 89-1 FOR FISCAL YEAR 2012/2013.**

RESOLUTION NO. R-33-12

**A RESOLUTION OF THE CITY COUNCIL OF COLTON, CALIFORNIA  
AUTHORIZING THE LEVY OF A SPECIAL TAX IN COMMUNITY  
FACILITIES DISTRICT NO. 89-1 FOR FISCAL YEAR 2012/2013.**

**WHEREAS**, the CITY COUNCIL of the CITY OF COLTON, CALIFORNIA previously undertook proceedings to form a community facilities district (this Community Facilities District is designated as COMMUNITY FACILITIES DISTRICT NO. 89-1 and is referred to herein as the "District"), and conducted an election and received a favorable vote from the qualified electors authorizing the levy of a special tax in the District, all as authorized pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982", being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the "Act"); and

**WHEREAS**, the Act authorized the City Council to levy the special taxes at the rate and apportion them in the manner as approved by the qualified electors and further authorized the City Council to thereafter provide, by resolution, for the levy of the special tax in the current tax year or future tax years at the same rate or at a lower rate than the rate provided by the ordinance; and

**WHEREAS**, the City Council desires to authorize the levy of the special tax by resolution for the current and all future tax years.

**NOW, THEREFORE BE IT RESOLVED, DETERMINED, AND ORDERED BY THE CITY COUNCIL FOR THE DISTRICT, AS FOLLOWS:**

**SECTION 1.** That the above recitals are all true and correct.

**SECTION 2.** That the City Council does, by the passage of this resolution, authorize the levy of special taxes at the rate and formula as set forth in Exhibit "A" attached hereto, referenced and so incorporated.

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1           **SECTION 3.** That the City Council is hereby further authorized, by Resolution, to  
2 determine the specific special tax rate and amount to be levied for the then current tax year  
3 or future tax years, except that the special tax rate to be levied shall not exceed that as set  
4 forth in Exhibit "A", but the special tax may be levied at a lower rate.

5           **SECTION 4.** The proceeds of the above authorized and levied special tax may only  
6 be used to pay, in whole or in part, the costs of the following:

- 7
- 8           A. Payment of principal of and interest on any outstanding authorized bonded  
9           indebtedness;
  - 10           B. Necessary replenishment of bond reserve funds or other reserve funds;
  - 11           C. Payment of costs and expenses of authorized public facilities and services;
  - 12           D. Repayment of advances and loans, as appropriate; and
  - 13           E. Payment of District administrative costs.
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16           The proceeds of the special tax shall be used as set forth above, and shall not be used for  
17 any other purpose.

18           **SECTION 5.** The above authorized special tax shall be collected in the same  
19 manner as ordinary ad valorem taxes are collected and shall be subject to the same penalties  
20 and the same procedure, sale and lien priority in case of delinquency as is provided for ad  
21 valorem taxes, and the Tax Collector is hereby authorized to deduct reasonable  
22 administrative costs incurred in collecting any such special tax.

23           **SECTION 6.** The above authorized special tax shall be secured by the lien imposed  
24 pursuant to Sections 3114.5 and 3115.5 of the Streets and Highways Code of the State of  
25 California, which lien shall be a continuing lien and shall secure each levy of the special tax.  
26 The lien of the special tax shall continue in force and effect until the special tax obligation is  
27 prepaid, permanently satisfied and canceled in accordance with Section 53344 of them  
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## Exhibit A

<b>City of Colton</b>	
<b>2012/13 Special Tax Levy</b> Community Facilities District 89-1	
Levy Components	2012/13
PRINCIPAL AND INTEREST	
Principal	\$160,000.00
Interest	85,320.00
<b>TOTAL</b>	<b>\$245,320.00</b>
ADMINISTRATION COSTS	
City Staff and Expenses	\$7,000.00
County Auditor and Assessor Fees	66.00
Registrar/Transfer/Paying Agent Fees	2,220.00
Consulting Services and Expenses	3,801.34
Delinquency Management Allowance	300.00
<b>TOTAL</b>	<b>\$13,387.34</b>
<b>Total Principal, Interest and Admin Costs</b>	<b>\$258,707.34</b>
ADJUSTMENTS APPLIED TO LEVY	
Replenishment/ (Credit)	(\$11,482.76)
<b>TOTAL</b>	<b>(\$11,482.76)</b>
TOTAL CHARGE	
Special Tax Requirement	\$247,224.58
Applied Charge at Projected Rate	\$247,204.40
Difference (due to rounding)	\$20.18
SPECIAL TAX RATES *	
Developed Residential Units	212
Maximum Special Tax Rate per unit	\$1,855.18
Projected Special Tax Rate per unit for 2012/13	\$998.08
Developed Commercial Acreage	8.92
Maximum Special Tax Rate per acre	\$7,420.70
Projected Special Tax Rate per acre for 2012/13	\$3,992.31

\* The projected special tax rate is based on the proposed budget shown and reflects a 0.00% change over the prior year's levy.

**RESOLUTION No. R-34-12 AUTHORIZING THE LEVY  
OF A SPECIAL TAX IN COMMUNITY FACILITIES  
DISTRICT NO. 89-2 FOR FISCAL YEAR 2012/2013.**

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**RESOLUTION NO. R-34-12**

**A RESOLUTION OF THE CITY COUNCIL OF COLTON, CALIFORNIA  
AUTHORIZING THE LEVY OF A SPECIAL TAX IN COMMUNITY  
FACILITIES DISTRICT NO. 89-2 FOR FISCAL YEAR 2012/2013.**

**WHEREAS**, the CITY COUNCIL of the CITY OF COLTON, CALIFORNIA previously undertook proceedings to form a community facilities district (this Community Facilities District is designated as COMMUNITY FACILITIES DISTRICT NO. 89-2 and is referred to herein as the "District"), and conducted an election and received a favorable vote from the qualified electors authorizing the levy of a special tax in the District, all as authorized pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982", being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the "Act"); and

**WHEREAS**, the Act authorized the City Council to levy the special taxes at the rate and apportion them in the manner as approved by the qualified electors and further authorized the City Council to thereafter provide, by resolution, for the levy of the special tax in the current tax year or future tax years at the same rate or at a lower rate than the rate provided by the ordinance; and

**WHEREAS**, the City Council desires to authorize the levy of the special tax by resolution for the current and all future tax years.

**NOW, THEREFORE BE IT RESOLVED, DETERMINED, AND ORDERED BY THE CITY COUNCIL FOR THE DISTRICT, AS FOLLOWS:**

**SECTION 1.** That the above recitals are all true and correct.

**SECTION 2.** That the City Council does, by the passage of this resolution, authorize the levy of special taxes at the rate and formula as set forth in Exhibit "A" attached hereto, referenced and so incorporated.

1           **SECTION 3.** That the City Council is hereby further authorized, by Resolution, to  
2 determine the specific special tax rate and amount to be levied for the then current tax year  
3 or future tax years, except that the special tax rate to be levied shall not exceed that as set  
4 forth in Exhibit "A", but the special tax may be levied at a lower rate.

5           **SECTION 4.** The proceeds of the above authorized and levied special tax may only  
6 be used to pay, in whole or in part, the costs of the following:

- 7           A. Payment of principal of and interest on any outstanding authorized bonded  
8           indebtedness;
- 9           B. Necessary replenishment of bond reserve funds or other reserve funds;
- 10           C. Payment of costs and expenses of authorized public facilities and services;
- 11           D. Repayment of advances and loans, as appropriate; and
- 12           E. Payment of District administrative costs.

13           The proceeds of the special tax shall be used as set forth above, and shall not be used for  
14 any other purpose.

15           **SECTION 5.** The above authorized special tax shall be collected in the same  
16 manner as ordinary ad valorem taxes are collected and shall be subject to the same penalties  
17 and the same procedure, sale and lien priority in case of delinquency as is provided for ad  
18 valorem taxes, and the Tax Collector is hereby authorized to deduct reasonable  
19 administrative costs incurred in collecting any such special tax.

20           **SECTION 6.** The above authorized special tax shall be secured by the lien imposed  
21 pursuant to Sections 3114.5 and 3115.5 of the Streets and Highways Code of the State of  
22 California, which lien shall be a continuing lien and shall secure each levy of the special tax.  
23 The lien of the special tax shall continue in force and effect until the special tax obligation is  
24 prepaid, permanently satisfied and canceled in accordance with Section 53344 of them  
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## Exhibit A

<b>City of Colton</b>	
2012/13 Special Tax Levy Community Facilities District 89-2	
Levy Components	2012/13
PRINCIPAL AND INTEREST	
Principal	\$190,000.00
Interest	81,727.50
<b>TOTAL</b>	<b>\$271,727.50</b>
ADMINISTRATION COSTS	
City Staff and Expenses	\$7,000.00
County Auditor and Assessor Fees	109.80
Registrar/Transfer/Paying Agent Fees	2,500.00
Consulting Services and Expenses	5,837.50
Delinquency Management Allowance	1,000.00
<b>TOTAL</b>	<b>\$16,447.30</b>
<b>Total Principal, Interest and Admin Costs</b>	<b>\$288,174.80</b>
ADJUSTMENTS APPLIED TO LEVY	
Facilities Cost Reimbursement to City	\$34,329.40
Replenishment/ (Credit)	\$0.00
<b>TOTAL</b>	<b>\$34,329.40</b>
TOTAL CHARGE	
<b>Special Tax Requirement</b>	<b>\$322,504.20</b>
<b>Applied Charge at Projected Rate</b>	<b>\$322,498.80</b>
Difference (due to rounding)	\$5.40
SPECIAL TAX RATES*	
<b>Developed Residential Units</b>	<b>357</b>
Maximum Special Tax Rate per unit	\$1,545.98
Projected Special Tax Rate per unit for 2012/13	\$804.54
<b>Developed Commercial Acreage</b>	<b>8.48</b>
Maximum Special Tax Rate per acre	\$5,410.93
Projected Special Tax Rate per acre for 2012/13	\$2,815.94
<b>Undeveloped Acreage</b>	<b>5.06</b>
Maximum Special Tax Rate per acre	\$4,328.74
Projected Special Tax Rate per acre for 2012/13	\$2,252.74

\* The projected special tax rate is based on the proposed budget shown and reflects a -0.1% change over the prior year's levy.

**RESOLUTION No. R-35-12 AUTHORIZING THE LEVY  
OF A SPECIAL TAX IN COMMUNITY FACILITIES  
DISTRICT NO. 90-1 FOR FISCAL YEAR 2012/2013.**

**RESOLUTION NO. R-35-12**

**A RESOLUTION OF THE CITY COUNCIL OF COLTON, CALIFORNIA  
AUTHORIZING THE LEVY OF A SPECIAL TAX IN COMMUNITY  
FACILITIES DISTRICT NO. 90-1 FOR FISCAL YEAR 2012/2013.**

**WHEREAS**, the CITY COUNCIL of the CITY OF COLTON, CALIFORNIA previously undertook proceedings to form a community facilities district (this Community Facilities District is designated as COMMUNITY FACILITIES DISTRICT NO. 90-1 and is referred to herein as the "District"), and conducted an election and received a favorable vote from the qualified electors authorizing the levy of a special tax in the District, all as authorized pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982", being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (the "Act"); and

**WHEREAS**, the Act authorized the City Council to levy the special taxes at the rate and apportion them in the manner as approved by the qualified electors and further authorized the City Council to thereafter provide, by resolution, for the levy of the special tax in the current tax year or future tax years at the same rate or at a lower rate than the rate provided by the ordinance; and

**WHEREAS**, the City Council desires to authorize the levy of the special tax by resolution for the current and all future tax years.

**NOW, THEREFORE BE IT RESOLVED, DETERMINED, AND ORDERED BY THE CITY COUNCIL FOR THE DISTRICT, AS FOLLOWS:**

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2 determine the specific special tax rate and amount to be levied for the then current tax year  
3 or future tax years, except that the special tax rate to be levied shall not exceed that as set  
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5           **SECTION 4.** The proceeds of the above authorized and levied special tax may only  
6 be used to pay, in whole or in part, the costs of the following:

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- 8           A. Payment of principal of and interest on any outstanding authorized bonded  
9           indebtedness;
  - 10           B. Necessary replenishment of bond reserve funds or other reserve funds;
  - 11           C. Payment of costs and expenses of authorized public facilities;
  - 12           D. Repayment of advances and loans, as appropriate; and
  - 13           E. Payment of District administrative costs.
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25 California, which lien shall be a continuing lien and shall secure each levy of the special tax.  
26 The lien of the special tax shall continue in force and effect until the special tax obligation is  
27 prepaid, permanently satisfied and canceled in accordance with Section 53344 of them  
28  
29



## Exhibit A

<b>City of Colton</b>	
2012/13 Special Tax Levy Community Facilities District 90-1	
Levy Components	2012/13
PRINCIPAL AND INTEREST	
Principal	\$145,000.00
Interest	113,625.00
<b>TOTAL</b>	<b>\$258,625.00</b>
ADMINISTRATION COSTS	
City Staff and Expenses	\$7,000.00
County Auditor and Assessor Fees	1.20
Registrar/Transfer/Paying Agent Fees	2,900.00
Consulting Services and Expenses	3,572.50
Delinquency Management Allowance	0.00
<b>TOTAL</b>	<b>\$13,473.70</b>
<b>Total Principal, Interest and Admin Costs</b>	<b>\$272,098.70</b>
ADJUSTMENTS APPLIED TO LEVY	
Replenishment/ (Credit)	(\$2,832.64)
<b>TOTAL</b>	<b>(\$2,832.64)</b>
TOTAL CHARGE	
Special Tax Requirement	\$269,266.06
Applied Charge at Projected Rate	\$269,266.04
Difference (due to rounding)	\$0.02
SPECIAL TAX RATES*	
Square Footage of Taxable Commercial Land	217,265
Maximum Special Tax Rate per square foot	\$2.30
Projected Special Tax Rate per square foot for 2012/13	\$1.24

\* The projected special tax rate is based on the proposed budget shown and reflects a 0.00% change over the prior year's levy.