

RESOLUTION NO. 040-0909-93

A RESOLUTION OF INTENTION TO ESTABLISH
A COMMUNITY FACILITIES DISTRICT, TO LEVY
A SPECIAL TAX TO PAY FOR CERTAIN PUBLIC SCHOOL
FACILITIES, AND TO ESTABLISH AN APPROPRIATIONS
LIMIT FOR SUCH COMMUNITY FACILITIES DISTRICT

WILLIAMS UNIFIED SCHOOL DISTRICT
COMMUNITY FACILITIES DISTRICT NO. 1

WHEREAS, the Board of Trustees (the "Board") of the Williams Unified School District (the "District") intends to institute proceedings to establish a community facilities district pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the "Act"), Chapter 2.5, Part I, Division 2, Title 5 of the Government Code of the State of California;

NOW, THEREFORE, THE BOARD HEREBY FINDS, DETERMINES and ORDERS as follows:

1. The Board proposes and intends to establish a community facilities district pursuant to the provisions of the Act.
2. The proposed boundaries of the community facilities district are described on a map filed in the office of the Secretary of this Board.
3. The community facilities district proposed to be formed shall be known and designated as "Williams Unified School District Community Facilities District No. 1" ("CFD No. 1").
4. The type or types of public school facilities proposed to be financed by CFD No. 1 (the "Facilities") are described in Exhibit A hereto. The cost of the facilities includes the cost of planning, designing, inspecting and constructing the Facilities, including the cost of environmental evaluations thereof; all costs associated with the creation of CFD No. 1, the subsequent issuance of bonds, the determination of the amount of any taxes, and the collection of taxes; all costs otherwise incurred in order to carry out the authorized purposes of CFD No. 1; and any other expenses incidental to the construction, completion and inspection of the Facilities.
5. The proposed public facilities are in the public interest and are necessary to meet increased demands put upon the District as a result of new development occurring within CFD No. 1.

6. Except where funds are otherwise available, a special tax sufficient to pay for all such facilities and sufficient to pay the principal of and interest on any bonds subsequently proposed to be issued to finance such facilities, secured by recordation of a continuing lien against all non-exempt real property in CFD No. 1, will be annually levied within the proposed CFD No. 1. The rate, method of apportionment, and manner of collection of this special tax is set forth in Exhibit B hereto in sufficient detail to allow each landowner or resident within the proposed district to estimate the annual amount that such person will have to pay.

7. The Board intends to establish an appropriations limit, as defined by Article XIII B, Section 8(h), of the Constitution of the State of California, for CFD No. 1 in the amount determined to be necessary to meet the expenditure needs of the CFD.

8. Pursuant to Government Code Section 53325.6, land within CFD No. 1 that is devoted primarily to agricultural, timber or livestock uses and being used for the commercial production of agricultural, timber or livestock products will be benefited by the public facilities proposed to be provided within CFD No. 1.

9. Pursuant to Government Code Section 53317.3, the special tax shall be levied against all property that is not expressly exempt from the special tax and that is later acquired by a public entity.

10. Pursuant to Government Code Section 53317.5, any special tax levied against property that is later acquired by a public entity through eminent domain proceedings shall be treated as if it were a special annual assessment.

11. Pursuant to Government Code Section 53340.1, the special tax shall be levied against all leasehold or possessory interests in property owned by a public agency, if such leasehold or possessory interest is held by a non-exempt person or entity.

12. The Superintendent of the District is hereby directed to study the proposed CFD No. 1, and, at or before the time of the hearing described below, file a report in accordance with Government Code Section 53321.5 with this Board containing a brief description of the public facilities by type that will, in his opinion, be required to adequately meet the needs of the proposed CFD No. 1 and his estimate of the cost of providing

those public facilities and services, including incidental expenses.

13. The Secretary of the Board is hereby authorized and directed to transmit a certified copy of this Resolution to the City Council of the City of Williams and to the Board of Supervisors of the County of Colusa pursuant to the requirement of Section 53315.6 of the Government Code.

14. NOTICE IS HEREBY GIVEN that Thursday, November 18, 1993, at the hour of 7:00 p.m., or as soon thereafter as the matter may be heard, in the Williams High School Library, 260 Eleventh Street, Williams, California, are fixed as the time and place when and where this Board will hold a public hearing to consider the establishment of CFD No. 1. At this hearing, the testimony of all interested persons or taxpayers for or against the establishment of CFD No. 1, the extent of CFD No. 1, the furnishing of the specified types of public facilities or the levy of such special tax will be heard and considered. Any protests may be made orally or in writing, except that any protests pertaining to the regularity or sufficiency of the proceedings shall be in writing and shall clearly set forth the irregularities and defects to which objection is made. All written protests shall be filed with the Superintendent on or before the time fixed for the hearing and any written protest may be withdrawn, in writing, at any time before the conclusion of the hearing.

15. The Secretary shall publish a notice of this hearing once in the Colusa Sun Herald, a newspaper of general circulation in the area of the proposed CFD No. 1.

16. Notice of this hearing shall be headed "Notice of Public Hearing" and shall contain:

- (a) The text or a summary of this Resolution;
- (b) The time and place of the hearing;
- (c) A statement that at the hearing the testimony of all interested persons or taxpayers for or against the establishment of CFD No. 1, the extent of CFD No. 1, or the furnishing of the specified types of school facilities and the levy of the taxes will be heard;
- (d) A description and summary of the effect of protests made by registered voters or landowners against the establishment of CFD No. 1, the extent of CFD No. 1, the

furnishing of the specified types of school facilities, or the specified special tax, as provided in Section 53324 of the Act; and

(e) A description of the proposed voting procedure.

17. The levy of a special tax shall be subject to the approval of the qualified electors of CFD No. 1 at a special election to be held in the District for such purpose.

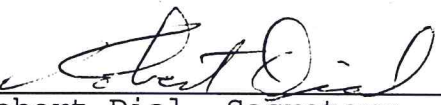
APPROVED, PASSED AND ADOPTED by the Board of Trustees of the Williams Unified School District on September 9, 1993, by the following vote:

AYES:	5
NOES:	0
ABSENT:	0
ABSTAIN:	0



Kay Sharpe, President, Board of
Trustees, Williams Unified School
District

ATTEST:



Robert Dial, Secretary,
Board of Trustees, Williams
Unified School District

CERTIFICATION

I, Robert Dial, Secretary of the Board of Trustees, of the Williams Unified School District, Colusa County, State of California, do hereby certify that the foregoing is a full, true and correct copy of a resolution duly approved and adopted by the Board at a regular meeting thereof held on the 9th day of September, 1993 of which meeting all the members of the Board had due notice and at which a majority thereof were present. At the meeting the resolution was adopted by the following vote:

AYES: 5

NOES: 0

ABSENT: 0

ABSTAIN: 0

The agenda for the meeting was posted at least seventy-two (72) hours before the meeting at the offices of the District, 260 Eleventh Street, Williams, California, a location freely accessible to members of the public, and a brief description of the resolution appeared on the agenda.

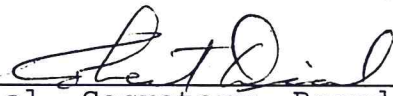

Robert Dial, Secretary, Board of
Trustees, Williams Unified School
District

EXHIBIT A

DESCRIPTION OF PUBLIC SCHOOL FACILITIES

The types of facilities to be financed by the proposed CFD No. 1, to the extent financing is available, shall be as follows: the purchase, construction, expansion, improvement, and rehabilitation of any real and tangible property, including existing and new elementary, secondary and continuation schools, sites, structures, and equipment and any other governmental facilities or equipment, such as administrative and support facilities, offices and equipment, buses, bus storage facilities, maintenance facilities, and warehouses that the Board is authorized by law to contribute revenue to, or construct, own, or operate, whether or not said facilities meet the building and cost area standards of the State Allocation Board, and provided that said facilities have a useful life of five years or longer.

EXHIBIT B

WILLIAMS UNIFIED SCHOOL DISTRICT
COMMUNITY FACILITIES DISTRICT NO. 1

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax, determined as shown below, shall be levied each year by the Board of Education of the Williams Unified School District (the "District") within the boundaries of Community Facilities District No. 1 (the "CFD"). All of the property within the CFD, unless otherwise exempted by the law or the express provisions of the rate and method of apportionment expressed below, shall be taxed to the extent and in the manner provided below.

I. DEFINITIONS

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended (Sections 53311, *et seq.*, California Government Code).

"Administrative Expenses" means any or all of the following: the cost of planning and designing public facilities to be financed by the CFD, including the cost of environmental evaluations of those facilities; the costs associated with the creation of the CFD, issuance of Bonds, determination of the amount of Special Taxes, collection of Special Taxes, payment of Special Taxes, or costs otherwise incurred in order to carry out the authorized purposes of the CFD; any other expenses incidental to the construction, completion and inspection of the authorized work; any fees of the County of Colusa relative to the CFD or the levy and/or collection of the Special Taxes, and any other incidental expenses authorized by the Act.

"Annual Costs" for any Fiscal Year, shall include all those set forth in Sections 53317(c) and 53340 of the Act, Debt Service and Administrative Expenses, including funds not only to pay current Debt Service on the Bonds, but also to accumulate funds for future Debt Service, to pay amounts delinquent on the Bonds (or to become delinquent based on past Special Tax delinquencies), to replenish the reserve fund to its proper level (or to reimburse payments to be made from the reserve fund based upon past special tax delinquencies), to pay directly for any authorized facilities or to accumulate funds for that purpose.

"Board" means the Board of Trustees of the Williams Unified School District.

"Bonds" means any and all bonds and other obligations issued by the DISTRICT on behalf of the CFD, as permitted by the Act.

"CFD" means Community Facilities District No. 1 of the DISTRICT created under the Act.

"Debt Service", for each Fiscal Year, means the amount of principal and interest due on the Bonds and any other amounts due under the terms of the Resolution for the repayment of Bonds.

"Developed Property - Existing" means a Parcel in the CFD for which a building permit for residential, commercial, or industrial construction has been issued, or a commercial or industrial use exists that does not require a building permit, prior to July 1, 1993.

"Developed Property - New" means a Parcel in the CFD for which a building permit for residential, commercial, or industrial construction has been issued as of June 15 of the prior Fiscal Year, but after July 1, 1993, or a commercial or industrial use that does not require a

building permit begins after July 1, 1993.

"DISTRICT" means the Williams Unified School District.

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

"Parcel" means any County of Colusa Assessor's parcel that is within the boundaries of the CFD, which has been assigned a discrete identifying number.

"Maximum Special Tax" means the maximum amount of special tax which may be levied annually against any parcel (which may be stated as a maximum amount per STU) within the CFD as set forth herein.

"Resolution" means the Resolution of Issuance for the Bonds to be adopted by the Board of Trustees of the DISTRICT, acting as the legislative body of the CFD, authorizing the issuance of the Bonds under the Act.

"Special Tax" means the tax authorized to be levied in the CFD under the Act as defined in Section II hereof.

"Special Tax Units" or "STU" are assigned to each-parcel of land, based on the category of the property (Developed or Undeveloped) within the CFD.

"Superintendent" means the Superintendent of Schools for the Williams Unified School District.

"Taxable Property" means all of the parcels of land within the boundaries of the CFD that are not exempt from the special tax.

"Tax-Exempt Property" means any property within the CFD which is not Developed Property or Undeveloped Property, and includes all land owned by a governmental body, except that if property not otherwise exempt from the Special Tax is acquired by a public entity through a negotiated transaction, gift, or other devise, or through eminent domain proceedings, the Special Tax shall continue to be levied on the property acquired and shall be enforceable against the public entity that acquired the property.

"Undeveloped Property" means a Parcel in the CFD which is zoned for residential, commercial or industrial use or changes to zoning for residential, commercial or industrial use and for which no building permit for the construction of a residential, commercial or industrial structure has been issued as of June 15 of the prior Fiscal Year.

II. DESCRIPTION OF TAXABLE UNITS AND ASSIGNMENT OF STU'S

DEVELOPED PROPERTY:

- A. Single Family Homes: a single-family detached house on a single parcel is assigned 1 STU.
- B. Mobile Homes: a mobile home on a separate parcel, or in a mobile home park or in a mobile home subdivision is assigned 1 STU.
- C. Multi-Family Units: all multi-family units, including duplex and halfplex, are assigned 1 STU per unit.

- D. Commercial Property: property zoned for commercial use is assigned 1 STU per each 1/4 acre or portion thereof.
- E. Industrial Property: property zoned for industrial use is assigned 1 STU per each 1/4 acre or portion thereof.
- F. Agricultural: property zoned for agricultural use is assigned 1 STU for each residence.

UNDEVELOPED PROPERTY:

- G. Vacant, Undeveloped, non-agricultural property is assigned 0 STU for each parcel.
- H. Agricultural property zoned for agricultural use which contains no residence will not be taxed.

EXEMPT PROPERTY AND REDUCTIONS:

- I. Governmental: property owned by the state, federal or other local government will not be taxed except:
 - (1) If a public agency owning property, including property held in trust for any beneficiary, which is exempt from a special tax pursuant to Section 53340 grants a leasehold after January 1, 1994, or other possessory interest in the property to a nonexempt person or entity, the special tax shall, notwithstanding Section 53340, be levied on the leasehold or possessory interest and shall be payable by the owner of the leasehold or possessory interest.
 - (2) If property not otherwise exempt from a special tax levied pursuant to this chapter is acquired by a public entity through a negotiated transaction, or by gift or devise, the special tax shall, notwithstanding Section 53340, continue to be levied on the property acquired and shall be enforceable against the public entity that acquired the property.
 - (3) If property subject to a special tax levied pursuant to this chapter is acquired by a public entity through eminent domain proceedings, the obligation to pay the special tax shall be treated as if it were a special annual assessment. For this purpose, the present value of the obligation to pay a special tax to pay the principal and interest on any indebtedness incurred by the district prior to the date of apportionment determined pursuant to Section 5082 of the Revenue and Taxation Code shall be treated the same as a fixed lien special assessment.
- J. Non-Governmental tax exempt uses: property which is exempt by law from ad valorem taxes will not be taxed except as otherwise provided herein.
- K. Unbuildable: parcels defined by the Assessor as unbuildable will not be taxed.
- L. Senior Citizen Reductions. A property owner has the option of annually applying for a senior citizen tax reduction which will exempt the property from fifty percent (50%) of the special tax if all of the following conditions exist:
 - (1) The property owner provides evidence that the dwelling unit is occupied by a head of household or spouse, either of whom is at least 65 years of age.

- (2) The property owner provides evidence of ownership of the property.
- (3) The property owner's application is filed and qualifies annually. Filing of the application shall be made between April 15 and May 15 annually.
- (4) The exemption is only for the primary residence of the applicant property owner. All other residences owned by the property owner are subject to the full tax.

III. MAXIMUM SPECIAL RATES

- A. Maximum Rate: the Maximum Special Tax Rate for all Developed Property - Existing is \$36 per STU per year in Fiscal Year 1994-95.
- B. Maximum Rate: the Maximum Special Tax Rate for all Developed Property - New is \$300 per STU per year in Fiscal Year 1994-95, on residential uses only.
- C. Annual Escalation: the Maximum Rate shall be subject to annual increases of, not to exceed, a maximum of 2.0% per year, compounded.

IV. METHOD OF APPORTIONMENT

No later than the first Board meeting in July of each year, all Taxable Property in the District shall be categorized and assigned its appropriate number of STU and shall be subject to levy of the special tax according to the rate and method of apportionment contained herein. The School District shall determine the total amount of special tax required for the fiscal year to pay for the authorized costs and expenses of the CFD. The authorized costs and expenses of the CFD include all those set forth in the Act, and all costs necessary to administer the bonds, collect and administer the special taxes, and administer the CFD. They include funds not only to pay current debt service on the bonds, but also to accumulate funds for future debt service, to pay amounts delinquent on the bonds (or to become delinquent based upon past special tax delinquencies), to replenish the reserve fund to its proper level (or to reimburse payment to be made from the reserve fund based upon past special tax delinquencies), to pay directly for any authorized facilities or to accumulate funds for that purpose. Special tax proceeds are managed in such a fashion as not to cause the bonds to become arbitrage bonds under the Tax Reform Act of 1986.

The tax levy on each parcel within the CFD shall be the same percentage of its maximum tax. The percentage shall be calculated to be the percentage which will just raise the amount of special tax required.

V. LIMITATIONS AND REDUCTIONS

The Board shall not impose a special tax on exempt property as determined to be exempt by the Board. In the event that exempt status should change for any property, the property would then be classified as Taxable Property. (Once a property has been classified as Developed Property, it may not be reclassified as any other property.)

VI. APPEALS AND INTERPRETATION PROCEDURE

Any Taxpayer claiming that the amount or application of the special tax is in error may file a notice with the District appealing the levy of the special tax. The Superintendent or designee will promptly review the appeal and, if necessary, meet with the applicant and decide the appeal. If the findings of the Superintendent or designee verify that the tax should be modified or changed, the special tax levy shall be corrected and, if applicable, a refund shall be granted. Any dispute over the decision of the Superintendent or designee shall be referred to the Board and the decision of

the Board shall be final.

Interpretations may be made by Resolution of the Board for purposes of clarifying any vagueness or uncertainty as it relates to the application of the special tax rate, or application of the method of apportionment, or the classification of properties or any definition applicable to the CFD.

VII. COLLECTION OF SPECIAL TAX

The special tax shall be collected each year upon the applicable assessor's parcels in the CFD in the same manner as ordinary ad valorem property taxes are collected and shall be subject to the same penalties, procedures, and lien priorities in the case of delinquency as is provided for ad valorem taxes. The School District shall cause the actions required above to be done for each Fiscal Year in a timely manner to assure that the schedule of the special taxes to be collected are received by the Auditor of Colusa County for inclusion with billings for such ad valorem taxes for the applicable Fiscal Year. The special tax shall be levied and collected only so long as it is needed to pay the principal and interest on debt incurred in order to acquire and/or construct the facilities of the CFD, or so long as it is needed to pay the costs and incidental expenses of the construction of facilities authorized.

VIII. CLAIMS FOR REFUND

All claims for refund of special taxes collected by Colusa County on behalf of C.F.D. No. 1 shall be filed with the Superintendent of the District no later than one year after the date of the special tax has been paid to the County. The claimant shall file the claim within this time period and the claim shall be finally acted upon by the Board as a prerequisite to the claimant bringing suit thereon. Pursuant to Government Code Section 935(b) the claim shall be subject to the provisions of Govt. Code §§945.6 and 946.

The governing board of the District acting on its own behalf and on behalf of C.F.D. No. 1 shall act on a timely claim within the time period required by Govt. Code §912.4.

The procedure described in this ordinance shall be the exclusive claims procedure for claims seeking a refund of special taxes. The decision of the governing board of the District in response to the claim for refund of taxes shall be final and shall not be appealable.