



Adjourned Regular Meeting Agenda

July 22, 2014

Placentia City Council

Placentia City Council as Successor to the

Placentia Redevelopment Agency

Placentia Industrial Commercial

Development Authority

Scott W. Nelson
Mayor

Joseph V. Aguirre
Mayor Pro Tem

Constance M. Underhill
Council Member

Chad P. Wanke
Council Member

Jeremy B. Yamaguchi
Council Member

Patrick J. Melia
City Clerk

Craig S. Green
City Treasurer

Troy L. Butzlaff, ICMA-CM
City Administrator

Andrew V. Arczynski
City Attorney

City of Placentia
401 E. Chapman Avenue
Placentia, CA 92870

Phone: (714) 993-8117

Fax: (714) 961-0283

Email:
administration@placentia.org

Website: www.placentia.org

Mission Statement

The City Council is committed to keeping Placentia a pleasant place by providing a safe family atmosphere, superior public services and policies that promote the highest standards of community life.

Vision Statement

The City of Placentia will maintain an open, honest, responsive and innovative government that delivers quality services in a fair and equitable manner while optimizing available resources.

Copies of all agenda materials are available for public review in the Office of the City Clerk, online at www.placentia.org, and at Placentia Library Reference Desk. Persons who have questions concerning any agenda item may call the City Clerk's Office, (714) 993-8231, to make inquiry concerning the nature of the item described on the agenda.

Procedures for Addressing the Council/Board Members

Any person who wishes to speak regarding an item on the agenda or on a subject within the City's jurisdiction during the "**Oral Communications**" portion of the agenda should fill out a "**Speaker Request Form**" and give it to the City Clerk BEFORE that portion of the agenda is called. Testimony for Public Hearings will only be taken at the time of the hearing. Any person who wishes to speak on a Public Hearing item should fill out a "**Speaker Request Form**" and give it to the City Clerk BEFORE the item is called.

The Council and Board members encourage free expression of all points of view. To allow all persons the opportunity to speak, please keep your remarks brief. If others have already expressed your position, you may simply indicate that you agree with a previous speaker. If appropriate, a spokesperson may present the views of an entire group. To encourage all views, the Council and Board discourage clapping, booing or shouts of approval or disagreement from the audience.

PLEASE SILENCE ALL PAGERS, CELL PHONES, AND OTHER ELECTRONIC EQUIPMENT WHILE COUNCIL AND BOARD MEMBERS ARE IN SESSION.

Special Accommodations

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Clerk's Office at (714) 993-8231. Notification 48 hours prior to the meeting will generally enable City Staff to make reasonable arrangements to ensure accessibility. (28 CFR 35.102.35.104 ADA Title II)

In compliance with California Government Code § 54957.5, any writings or documents provided to a majority of the City Council regarding any item on this agenda that are not exempt from disclosure under the Public Records Act will be made available for public inspection at the City Clerk's Office at City Hall, 401 East Chapman Avenue, Placentia, during normal business hours.

Study Sessions are open to the public and held in the City Council Chambers or City Hall Community Room. Executive Sessions are held in the Council Caucus Room. While the public may be in attendance during oral announcements preceding Executive Sessions, Executive Sessions are not open to the public.

**PLACENTIA CITY COUNCIL
PLACENTIA CITY COUNCIL AS SUCCESSOR TO THE
PLACENTIA REDEVELOPMENT AGENCY
PLACENTIA INDUSTRIAL COMMERCIAL DEVELOPMENT AUTHORITY
REGULAR ADJOURNED MEETING AGENDA – EXECUTIVE SESSION
July 22, 2014
6:00 p.m. – City Council Chambers
401 E. Chapman Avenue, Placentia, CA**

CALL TO ORDER:

ROLL CALL: Councilmember/Board Member Underhill
Councilmember/Board Member Wanke
Councilmember/Board Member Yamaguchi
Mayor Pro Tem/Board Vice Chair Aguirre
Mayor/Board Chair Nelson

ORAL COMMUNICATIONS:

At this time the public may address the City Council and Boards of Directors concerning any items on the Executive Session Agenda only. There is a five (5) minute time limit for each individual addressing the City Council and Boards of Directors.

The City Council and Boards of Directors will recess to the City Council Caucus Room for the purpose of conducting their Executive Session proceedings.

CITY COUNCIL:

1. Pursuant to Government Code Section 54956.9(d)(2) for Conference with Legal Counsel Regarding Anticipated Litigation – Two (2) Items
2. Pursuant to Government Code Section 54956.9(d)(4) for Conference with Legal Counsel Regarding the Initiation of Litigation – Two (2) Items
3. Pursuant to Government Code Section 54957.6 Conference with City Labor Negotiator Concerning Labor Negotiations with the following groups:
 - a. Placentia Police Officers Association (PPOA)
 - b. Placentia City Employees Association (PCEA)

City Representatives: Troy L. Butzlaff, City Administrator
Steve Pischel, Dir. Administrative Services
4. Pursuant to Government Code Section 54957 for Public Employee Performance Evaluation
 - a. City Administrator

SUCCESSOR AGENCY: None

ICDA:

1. Pursuant to Government Code Section 54956.8 Conference with Real Property Negotiator:
 - a. Property: 207 W. Chapman Avenue, APN 339-033-21
Agency Negotiator: Troy L. Butzlaff, City Administrator/Executive Director
Negotiating Parties: Nedra Crocker
Under Negotiations: Price and Terms of Payment

RECESS: The City Council and Boards of Directors will recess to their 7:00 p.m. Regular Meeting.

**PLACENTIA CITY COUNCIL
PLACENTIA CITY COUNCIL AS SUCCESSOR TO THE
PLACENTIA REDEVELOPMENT AGENCY
PLACENTIA INDUSTRIAL COMMERCIAL DEVELOPMENT AUTHORITY
REGULAR ADJOURNED MEETING AGENDA
July 22, 2014
7:00 p.m. – City Council Chambers
401 E. Chapman Avenue, Placentia, CA**

CALL TO ORDER:

ROLL CALL: Councilmember/Board Member Underhill
Councilmember/Board Member Wanke
Councilmember/Board Member Yamaguchi
Mayor Pro Tem/Board Vice Chair Aguirre
Mayor/Board Chair Nelson

INVOCATION:

PLEDGE OF ALLEGIANCE:

PRESENTATIONS: None

EXECUTIVE SESSION REPORT:

CITY ADMINISTRATOR REPORT:

ORAL COMMUNICATIONS:

At this time the public may address the City Council and Boards of Directors concerning any agenda item, which is not a public hearing item, or on matters within the jurisdiction of the City Council and Boards of Directors. There is a five (5) minute time limit for each individual addressing the City Council and Boards of Directors.

CITY COUNCIL/BOARD MEMBERS COMMENTS AND REPORTS:

The purpose of these reports is to provide information on projects and programs that are discussed at interagency board, committee, and commission meetings. No decisions are to be made on these issues. If a Council or Board Member would like formal action on any of the discussed items, it will be placed on a future Council or Board Agenda.

1. CONSENT CALENDAR (Items 1.a. through 1.d.):

All items on the Consent Calendar are considered routine and are enacted by one motion approving the recommended action listed on the Agenda. Any Member of the City Council and Boards of Directors or City Administrator may request an item be removed from the Consent Calendar for discussion. All items removed shall be considered immediately following action on the remaining items.

COUNCIL/SUCCESSOR AGENCY/ICDA CONSENT CALENDAR:

- a. **Consideration to Waive Reading in Full of all Ordinances and Resolutions**
Financial Impact: None
Recommended Action: Approve

COUNCIL CONSENT CALENDAR:

- b. **Determination and Levy of Special Tax for Fiscal Year 2014-15 in Community Facilities District No. 89-1 (East Placentia)**
Financial Impact: No General Fund Impact – District Revenues of \$1,683,941.03 will not cover estimated district expenditures of \$3,226,960.27
Recommended Action: It is recommended that the City Council:
 - 1) Approve the Community Facilities District 2014-15 Special Tax Levy of \$1,683,941.03
 - 2) Adopt Resolution No. 2014-43, A Resolution of the City Council of the City of Placentia, California, authorizing the Determination and Levy of the Special Tax in Community Facilities District No. 89-1 for Fiscal Year 2014-15
 - 3) Authorize inclusion of the Special Tax Levy for Fiscal Year 2014-15 on the Orange County Secured Property Tax Roll

- c. **Determination and Levy of Special Tax for Fiscal Year 2014-15 in Community Facilities District No. 2014-01**
Financial Impact: No general fund impact – Estimated Revenues of \$4,050 - \$7,425 annually depending on construction completion of new homes
Recommended Action: It is recommended that the City Council:
 - 1) Approve the Community Facilities District 2014-01 Special Tax Levy
 - 2) Adopt Resolution No. 2014-44, A Resolution of the City Council of the City of Placentia, California, authorizing the Determination and Levy of the Special Tax in Community Facilities District No. 2014-01 for Fiscal Year 2014-15
 - 3) Authorize inclusion of the Special Tax Levy for Fiscal Year 2014-15 on the Orange County Secured Property Tax Roll

- d. **Crowther Avenue Parking Restriction Removal**
Financial Impact: None
Recommended Action: It is recommended that the City Council:
 - 1) Adopt Resolution No. R-2014-42, A Resolution of the City Council of the City of Placentia, California, removing the existing parking restriction on Crowther Avenue

SUCCESSOR AGENCY CONSENT CALENDAR: None

ICDA CONSENT CALENDAR: None

2. PUBLIC HEARINGS:

COUNCIL/SUCCESSOR AGENCY/ICDA: None

COUNCIL: None

SUCCESSOR AGENCY: None

ICDA: None

3. OLD BUSINESS:

COUNCIL/SUCCESSOR AGENCY/ICDA OLD BUSINESS: None

COUNCIL OLD BUSINESS: None

SUCCESSOR AGENCY OLD BUSINESS: None

ICDA OLD BUSINESS: None

4. NEW BUSINESS:

COUNCIL/SUCCESSOR AGENCY/ICDA NEW BUSINESS: None

COUNCIL NEW BUSINESS:

a. **Consideration of Resolutions to Add a Ballot Measure to the November 4, 2014 General Municipal Election and Authorize the Priority and Deadline for the Submission of Written Arguments and providing for the Filing of Rebuttal Arguments**

Financial Impact: Expense: \$8,500 (estimated cost to place measure on ballot)

Budgeted in Fiscal Year 2014-15: \$46,500 (Account No.: 101002-6299) and it is estimated that this amount will cover the cost for the elections of officers and the ballot measure

Recommended Action: It is recommended that the City Council:

- 1) Review and consider the proposed ballot measure, an ordinance of the People of the City of Placentia entitled "An Ordinance of the People of the City of Placentia, California, adding a new chapter 3.32 to the Placentia Municipal Code regarding a Transactions and Use Tax". Upon review and consideration, it is further recommended that the City Council adopt the resolutions presented for consideration to place the matter on the ballot for the November 4, 2014 General Election, consolidate the ballot item with the General Election, authorize arguments for and against, rebuttal arguments and directing the preparation of an impartial analysis by the City Attorney
- 2) Adopt Resolution No. R-2014-45, A Resolution of the City Council of the City of Placentia, California, ordering the submission to the qualified electors of the City of a certain measure relating to a Transactions and Use Tax at the General Municipal Election to be held on Tuesday, November 4, 2014, as called by Resolution No. R-2014-34
- 3) Adopt Resolution No. R-2014-46, A Resolution of the City Council of the City of Placentia, California, requesting the Board of Supervisors of the County of Orange to consolidate a General Municipal Election to be held on November 4, 2014, with the Statewide General Election, to be held on the date pursuant to § 10403 of the California Elections Code
- 4) Adopt Resolution No. R-2014-47, A Resolution of the City Council of the City of Placentia, California, setting priorities for filing written arguments regarding a city measure and directing the City Attorney to prepare an impartial analysis
- 5) Adopt Resolution No. R-2014-48, A Resolution of the City Council of the City of Placentia, California, providing for the filing of rebuttal arguments pertaining to a certain measure relating to a Transactions and Use Tax at the General Municipal Election to be held on Tuesday, November 4, 2014, as called by Resolution No. R-2014-34

SUCCESSOR AGENCY NEW BUSINESS: None

ICDA NEW BUSINESS: None

CITY COUNCIL/BOARD MEMBERS REQUESTS:

Council/Board Members may make requests or ask questions of Staff. If a Council/Board Member would like to have formal action taken on a requested matter, it will be placed on a future Council or Board Agenda.

ADJOURNMENT:

The City Council/Successor Agency/ICDA Agency Board of Directors will adjourn to August 5, 2014 at 5:30 p.m.

CERTIFICATION OF POSTING

I, Amy Diaz, Deputy City Clerk of the City of Placentia and Assistant Secretary of the Industrial Commercial Development Authority and Successor Agency, hereby certify that the Agenda for the July 22, 2014 meetings of the City Council, Successor Agency, and Industrial Commercial Development Authority was posted on July 17, 2014.

Amy Diaz, Deputy City Clerk



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL

VIA: CITY ADMINISTRATOR

FROM: CHIEF FINANCIAL OFFICER

DATE: JULY 22, 2014

SUBJECT: DETERMINATION AND LEVY OF SPECIAL TAX FOR FISCAL YEAR 2014-15 IN COMMUNITY FACILITIES DISTRICT NO. 89-1 (EAST PLACENTIA)

FISCAL

IMPACT: NO GENERAL FUND IMPACT – DISTRICT REVENUES OF \$1,683,941.03 WILL NOT COVER ESTIMATED DISTRICT EXPENDITURES OF \$3,226,960.27

SUMMARY:

On May 8, 1990, at an election held pursuant to the Mello Roos Community Facilities Act of 1982, the qualified electors of Community Facilities District No. 89-1 (East Placentia) (the "District") authorized the incurring of bonded indebtedness for the purpose of financing the design, construction and installation of public improvements which would benefit the land within the District and approved the rate and method of apportionment of the Special Tax. This action sets the special tax levy for the current fiscal year and authorizes the inclusion of the special tax levy on the Orange County Secured Property Tax Roll.

RECOMMENDATION:

It is recommended that the City Council take the following actions:

1. Approve the Community Facilities District 2014-15 Special Tax Levy of \$1,683,941.03: and
2. Adopt Resolution R-2014-xx, A Resolution of the City Council of the City of Placentia, California, Authorizing the Determination and Levy of the Special Tax in Community Facilities District 89-1 for Fiscal Year 2014-15: and
3. Authorize inclusion of the Special Tax Levy for Fiscal Year 2014-15 on the Orange County Secured Property Tax Roll.

DISCUSSION:

In 1990 an election of qualified electors was held, pursuant to the Mello Roos Community Facilities Act, forming Community Facilities District 89-1 (East Placentia). The purpose of this district was to finance the design, construction and installation of public improvements. These improvements are funded through the collection of a Special Tax. The requirement to pay the Special Tax is divided between Special Tax Area A (76.40%) and Special Tax Area B (23.60%) as provided in the Rate and Method of Apportionment of Special Tax (see below).

SPECIAL TAX AREA A	\$1,286,530.95	76.40%
SPECIAL TAX AREA B	\$397,410.08	23.60%

**1.b.
July 22, 2014**

District expenses, which include debt service, administration and overhead costs are calculated at \$3,226,960.27 (Table 1).

TABLE 1
 Estimated District Expenses

Special Tax Requirement	
Debt Service:	\$3,129,472.00
Administrative Costs:	
City Administration	\$67,400.00
County Administration (0.3%)	4,791.75
Arbitrage Calculation	4,100.00
Special Tax Report	5,496.33
Delinquency Mgmt Services	500.19
Continuing Disclosure Services	2,200.00
Trustee	8,000.00
Legal	<u>5,000.00</u>
Total Administrative Costs	\$97,488.27
SPECIAL TAX REQUIREMENT	\$3,226,960.27

District revenues are projected at \$1,683,941.03 (Table 2). This, in addition to the Reserve Fund of \$1,543,019.24 will be sufficient to cover the anticipated District expenses. The current tax levy percent of the maximum allowable rate is set at 41.67% for Area A and 48.48% for Area B. Since the 2014/15 year will be the final year of the District, the balance of the Reserve Fund will be applied to reduce the special tax to the property owners. Therefore, the proposed rates for all property classifications (except undeveloped which is currently not assessed the special tax) will be reduced by 45.1%. The proposed adjustment is a reduction of the tax rate and therefore, voter approval is not required.

TABLE 2
 Project District Revenues

FY 2014-15		
Property Classification	Acres	Special Tax Levy
Developed:		
Residential	157.70	\$1,598,585.79
Commercial/Industrial	13.33	79,957.21
Oil Production	8.05	5,398.03
Undeveloped	9.02	0.00
Total	188.10	\$1,683,941.03

Table 3 shows the proposed tax rates by land use classification for each Area and the maximum allowable tax rate that can be charged. As has been previously stated, the applied tax rate for Fiscal Year 2014-15 is well below the maximum allowable tax rate.

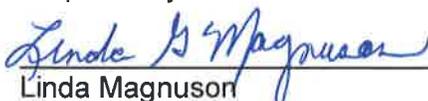
TABLE 3
 Proposed Special Tax Rate and Maximum Allowable Rate

Land Use Classification	FY 2014-15 Maximum Allowable Tax	FY 2014-15 Proposed Tax Rates	Percent of Maximum
Area A:			
1 – SFD > 5,000	\$4,847.83	\$2,020.16	41.67%
2 – SFD =< 5,000	\$4,038.79	\$0.00	0.00%
3 – Townhome	\$3,311.77	\$0.00	0.00%
4 – Condominium	\$2,140.83	\$892.11	41.67%
5 – MFA	\$1,082.48	\$0.00	0.00%
6 – Commercial/Industrial*	\$14,083.48/acre	\$5,868.78/acre	41.67%
	or \$1.0777/sq. ft.	or \$0.4491/sq. ft.	41.67%
7 – Oil Production/acre	\$1,608.44	\$670.25	41.67%
Undeveloped/acre	\$49,057.34	\$0.00	0.00%
Area B:			
1 – SFD > 2,000	\$4,723.98	\$2,290.38	48.48%
2 – SFD =< 2,000	\$3,731.57	\$1,809.22	48.48%
3 – SFA	\$3,221.70	\$0.00	0.00%
4 – MFA	\$1,074.44	\$0.00	0.00%
5 – Commercial/Industrial*	\$14,294.18/acre	\$0.00/acre or	0.00%
	or \$1.094/sq. ft.	\$0.00/sq. ft.	
Undeveloped	\$46,805.52	\$0.00	0.00%

The Special Tax Levy for the District will be collected in the same manner and at the same time as ordinary ad valorem property taxes and as such will be submitted to the County Auditor-Controller to be entered on the 2011/12 Orange County Secured Property Tax Roll. Due to how the rate is calculated not all parcels are charged consistently. Any excess revenues from the Special Tax Levy can be used for capital purposes or credited back to the District to reduce future tax rates.

A copy of the Engineer's Special Tax Administration Report is attached.

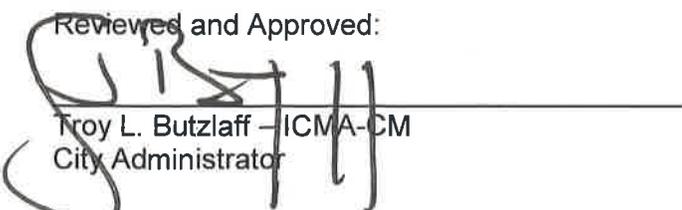
Prepared by:


 Linda Magnuson
 Chief Financial Officer

Reviewed and approved:


 Damien R. Arrula
 Assistant City Administrator

Reviewed and Approved:


 Troy L. Butzlaff – ICMA-CM
 City Administrator

Attachment:

1. Resolution R-2014-__
2. Annual Special Tax Administration Report 2014-2015

RESOLUTION NO. R-2014-

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
PLACENTIA, STATE OF CALIFORNIA, AUTHORIZING THE
DETERMINATION AND LEVY OF THE SPECIAL TAX IN
COMMUNITY FACILITIES DISTRICT NO. 89-1 FOR FISCAL
YEAR 2014-15.**

A. Recitals

(i). The City Council ("City Council") of the City of Placentia ("City") is the legislative body of Community Facilities District No. 89-1 (East Placentia) ("District"), which District was established pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California ("Act"), commencing with § 53311.

(ii). The City Council has enacted Ordinance No. 90-0-112 of the City in accordance with § 53340 of the Act authorizing the levy of a special tax on the property located within the District.

(iii). The District, on September 26, 1990, issued its Special Tax Bonds in the aggregate principal amount of \$25,000,000.00 in accordance with a fiscal agent agreement by the City on behalf of the District and dated as of September 1, 1990.

(iv). On August 27, 1996, the City Council issued its Community Facilities District No. 89-1 (East Placentia) of the City of Placentia 1996 Special Tax Refunding Bonds ("Refunding Bonds"), secured by special taxes of the District in order to refund all outstanding indebtedness of the District and reduce debt service requirements, in accordance with a fiscal agent agreement by the City on behalf of the District and dated as of August 1, 1996 ("Fiscal Agent Agreement").

(v). On August 27, 1996, the Refunding Bonds were purchased by the Placentia Public Financing Authority ("Authority"), a joint exercise of powers authority of the City and the Placentia Redevelopment Agency ("Agency") organized and existing under the laws of the State of California to borrow money for the purpose of financing the acquisition of bonds, notes and other obligations of the City and the Agency in order to provide financing for public capital improvements of the City and the Agency from the

proceeds of its Special Tax Revenue Bonds, 1996 Series A ("Senior Lien Bonds") ("1996A Bonds") and its Special Tax Revenue Bonds, 1996 Series B ("Junior Lien Bonds") ("1996B Bonds"), pursuant to and secured by an Indenture of Trust, dated as of August 1, 1996 ("Indenture").

(vi). On June 28, 2001, the Authority issued its Special Tax Revenue Bonds 2001 Series A ("Senior Lien Bonds") ("2001A Bonds" together with the 1996A Bonds to refund the 1996B Bonds to further reduce debt service.

(vii). On June 16, 2009, the Authority issued its 2009 Special Tax Refund Bonds which defeased and refunded the Authority's Special Tax Revenue Bonds, 1996 Series A ("Senior Lien Bonds").

(viii). The City wishes to designate a Financial Consultant to prepare the information and the proceedings to levy the annual special tax for Fiscal Year 2014-15.

(ix). The City has received a report relating to the 2014-15 special tax levy of the District entitled Annual Special Tax Administration Report 2014-15, dated July 2014 ("Report"), prepared at the request of the Chief Financial Officer of the City by the firm of Willdan Financial Services.

(x). The City has completed all steps necessary to levy a special tax in accordance with the procedures set forth in the Act.

B. Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PLACENTIA AS FOLLOWS:

1. All facts set forth in the Recitals, Part A of this Resolution are true and correct.

2. The City Council previously designated the firm of Willdan Financial Services as Financial Consultant to prepare the information and the proceedings to levy the annual special tax for Fiscal Year 2014-15 which has heretofore prepared the report required by law ("Report"), a full, true and correct copy of which is attached hereto as Exhibit "A."

3. Pursuant to the provisions of Resolution No. 90-R-124, adopted March 20, 1990, and Ordinance No. 90-0-112, adopted June 5, 1990, there is hereby levied an aggregate special tax of \$1,683,941.03 on taxable parcels which comprise

the District, for Fiscal Year 2014-15, and apportioned as set forth in the Report.

4. The aggregate special tax is apportioned to Special Tax Area A in the amount of \$1,286,530.95 and to Special Tax Area B in the amount of \$397,410.08, as apportioned as set forth in the Report. In the event of the subdivision of any of the parcels in the District on or prior to the immediately preceding March 31, the Chief Financial Officer is directed to amend (or cause to be amended) the Report in accordance with the Ordinance to reflect such subdivision and to file the revised listing of special tax levies with the Auditor-Controller of the Count of Orange ("Auditor-Controller").

5. The rate of special tax utilized in the preparation of the Report does not exceed the amount previously authorized by the Ordinance, and is not in excess of that approved by the qualified electors of the District.

6. All special taxes collected will be paid to the Fiscal Agent for the District for deposit in the Special Tax Fund upon receipt by the City from the Auditor-Controller pursuant to the terms of the Fiscal Agent Agreement for the District and used to pay, in whole or in part, the costs of the subject fiscal year as provided in § 3.03 of the Fiscal Agent Agreement for the District.

7. The Auditor-Controller hereby is directed to enter on the next County assessment roll on which taxes will become due, opposite each lot or parcel of land affected, in a line item designated "CFD No. 89-1 Special Tax," or any other suitable designation, the installment of the special tax for the exact rate and amount of the special tax levied in accordance with this resolution.

8. The Auditor-Controller shall, at the close of the tax collection period, promptly render to the District a detailed report showing the amounts of the special tax installments, penalties, interest, and fees collected, and from which properties collected. Any expenses to be paid to the Auditor-Controller for carrying out the foregoing responsibilities shall be in accordance with a contract entered into between the District and the Auditor-Controller, pursuant to § 29304 of the California Government Code.

9. This resolution shall take effect immediately upon its passage and adoption.

PASSED, ADOPTED and APPROVED this 22nd day of July, 2014.

SCOTT W. NELSON, MAYOR
CITY OF PLACENTIA

ATTEST:

PATRICK J. MELIA, CITY CLERK
CITY OF PLACENTIA
STATE OF CALIFORNIA

I, PATRICK J. MELIA, CITY CLERK of the CITY OF PLACENTIA, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution, being Resolution No. _____, was duly passed, approved and adopted by the City Council, approved and signed by the Mayor and attested by the City Clerk, all at the regular meeting of the said City Council held on the 22nd day of July, 2014, and that the same was passed and adopted by the following vote:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

ABSTAIN: COUNCILMEMBERS:

PATRICK J. MELIA, CITY CLERK
CITY OF PLACENTIA
STATE OF CALIFORNIA

APPROVED AS TO FORM:

ANDREW V. ARCZYNSKI,
CITY ATTORNEY



City of Placentia

Community Facilities District No. 89-1

Annual Special Tax Administration Report 2014-2015

JULY 2014

27368 Via Industria
Suite 110
Temecula, CA 92590
T 951.587.3500 | 800.755.6864
F 951.587.3510

www.willdan.com/financial

Annual Special Tax Administration 2014-2015

On May 8, 1990, at the election held pursuant to the Mello Roos community Facilities Act of 1982, as amended (Section 53311 et seq. of the Government Code of the State of California) (the "Act"), the qualified electors of the District authorized the District to incur bonded indebtedness in an amount not to exceed \$25,000,000 and approved the rate and method of apportionment of the Special Tax. On September 26, 1990, the District issued \$25,000,000 Special Tax Bonds (the "1990 Bonds"), the principal of, and interest on, such bonds to be paid by the annual levy of the Special Tax within the District.

In June 2001, the District refunded the 1996 Series B Bonds with \$5,715,000 2001 Special Tax Refunding Bonds Series A (Senior Lien Bonds) for the express purpose to lower debt service.

In May 2009, the District refunded the 1996 Series A Bonds with \$9,715,000 2009 Special Tax Revenue Refunding Bonds for the express purpose of lowering debt service based on a lower interest rate.

The Special Tax is to be levied to pay for the authorized costs and expenses of the District, including those necessary to pay for all authorized services and to pay the costs to administer the bonds, collect and administer the Special Taxes and to administer the District (the "Special Tax Requirement"). The Special Tax Requirement for the 2014-2015 Fiscal Year is \$1,683,941.03, as detailed below.

Special Tax Requirement	
Net Debt Service:	\$3,129,472.00
Administrative Costs:	
City Administration	\$67,400.00
County Administration (0.3%)	4,791.75
Arbitrage Calculation	4,100.00
Special Tax Report	5,496.33
Delinquency Mgmt Services	500.19
Continuing Disclosure Services	2,200.00
Trustee	8,000.00
Legal	<u>5,000.00</u>
	\$97,488.27
Other Costs:	
Reserve Fund Credit ⁽¹⁾	(\$1,543,019.24)
Special Tax Requirement	\$1,683,941.03

⁽¹⁾ Due to this being the final year, the Reserve Fund is credited against the 2014/15 levy.

The Special Tax Requirement is to be divided pro rata between Special Tax Area A ("Area A") and Special Tax Area B ("Area B") as provided for in the Rate and Method of Apportionment of the Special Tax. The following table shows the pro rata share of the Special Tax Requirement for Area A and Area B.

Special Tax Area	Special Tax Requirement	Percent of Special Tax Requirement
AREA A	\$1,286,530.95	76.40%
AREA B	\$397,410.08	23.60%

The 2014-2015 Special Tax Levy is calculated to be sufficient to pay the Special Tax Requirement. All property classified as Taxable Property within the District as of March 1, 2013 pursuant to the definition of Taxable Property set forth in the Rate and Method of Apportionment of Special Tax, shall be subject to the Special Tax during Fiscal Year 2014-2015. The 2014-2015 Assigned Special Tax for each classification of Taxable Property is shown below.

AREA A		2014-2015 Maximum Assigned Special Tax
Status	Land Use	
Developed	SFD (>5,000 SF)	\$4,847.83
	SFD (≤5,000 SF)	\$4,038.79
	Townhome	\$3,311.77
	Condo	\$2,140.83
	Apartment	\$1,082.48
	Comm/Ind (Acre)	\$14,083.48
	Comm/Ind (Bldg. SF)	\$1.08
	Oil	\$1,608.44
Undeveloped		\$49,057.34
Base Maximum Special (Lot SF)		\$0.69

AREA B		2014-2015 Maximum Assigned Special Tax
Status	Land Use	
Developed	SFD (>2,000 SF)	\$4,723.98
	SFD (≤2,000 SF)	\$3,731.57
	SFA	\$3,221.70
	MFA	\$1,074.44
	Comm/Ind (Acre)	\$14,294.18
	Comm/Ind (Bldg. SF)	\$1.09
Undeveloped		\$46,805.52
Base Maximum Special (Lot SF)		\$0.98

The Special Taxes for the District will be collected in the same manner and at the same time as ordinary ad valorem property taxes. Any landowner or resident who feels that the amount of the Special Tax, as to their parcel, is in error may file a notice with the Review/Appeal Committee of the District. The Review/Appeal Committee will make determinations regarding the annual administration of the Special Tax and any landowner or resident appeals.



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL

VIA: CITY ADMINISTRATOR

FROM: CHIEF FINANCIAL OFFICER

DATE: JULY 22, 2014

SUBJECT: DETERMINATION AND LEVY OF SPECIAL TAX FOR FISCAL YEAR 2014-15 IN COMMUNITY FACILITIES DISTRICT NO. 2014-01

FISCAL

IMPACT: NO GENERAL FUND IMPACT -- ESTIMATED REVENUES OF \$4,050 - \$7,425 ANNUALLY DEPENDING ON CONSTRUCTION COMPLETION OF NEW HOMES.

SUMMARY:

On February 18, 2014 at an election held pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, (§53311 et. Seq. of the Government Code of the State of California) the qualified electors of the District authorized formation of the District and approved the rate and method of apportionment of the Special Tax. Community Facilities District No. 2014-01 (CFD 2014-01) was formed to help provide funding for police protection services and fire protection and suppression services, including but not limited to: (i) the cost of contracting services; (ii) equipment, vehicles, ambulances, and paramedics, fire apparatus, supplies; (iii) the salaries and benefits of City staff that directly provide police protection services and fire protection and suppression services and other services as defined herein, respectively; and (iv) City overhead costs associated with providing such services within the District. This action sets the special tax levy for the current fiscal year and authorizes the inclusion of the special tax levy on the Orange County Secured Property Tax Roll.

RECOMMENDATION:

It is recommended that the City Council take the following actions:

1. Approve the Community Facilities District 2014-01 Special Tax Levy; and
2. Adopt Resolution R-2014-___, A Resolution of the City Council of the City of Placentia, California, Authorizing the Determination and Levy of the Special Tax in Community Facilities District No. 2014-01 for Fiscal Year 2014-15; and
3. Authorize inclusion of the Special Tax Levy for Fiscal Year 2014-15 on the Orange County Secured Property Tax Roll.

DISCUSSION:

On February 18, 2014 at an election held pursuant to the Mello Roos Community Facilities Act of 1982, as amended, (§53311 et. Seq. of the Government Code of the State of California) the qualified electors of the District authorized formation of the District and approved the rate and method of apportionment of the Special Tax. CFD 2014-01 was formed to help provide funding for police protection services and fire protection and suppression services, including but not limited to: (i) the cost of contracting services; (ii) equipment, vehicles, ambulances, and paramedics, fire apparatus, supplies; (iii) the salaries and benefits of City staff that directly provide police protection services and fire protection and suppression services and other services as defined herein, respectively; and (iv) City overhead costs associated with providing such services within the District.

1.c.
July 22, 2014

The Special Tax revenues will only be used to finance services that are in addition to those provided in or required for the territory within the District, and will not be replacing services already available. The Special Tax provides only partial funding for police and fire services.

All developed Single Family (SFR) properties and Multi-Family Residential (MFR) properties within the boundaries of CFD 2014-01 are subject to the Special Tax as described in the Rate and Method of Apportionment of Special Tax located in Exhibit C of Resolution R-2014-03, approved by City Council on January 7, 2014. The Special Tax levied to pay for services will not exceed the Maximum Special Tax as summarized below:

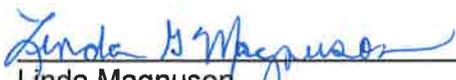
Land Use Type	Fiscal Year 2014-2015 Maximum Special Tax
Single Family Residential Property	\$225.00 per Residential Unit
Multi Family Residential Property	\$170.00 per Residential Unit

The Special Taxes for the District will be collected in the same manner and at the same time as ordinary ad valorem property taxes. Any landowner or resident who feels that the amount of the Special Tax, as to their parcel, is in error may file a notice with the Review/Appeal Committee of the District. The Review/Appeal Committee will make determinations regarding the annual administration of the Special Tax and any landowner or resident appeals.

FISCAL IMPACT:

There is no General Fund impact as a result of the Special Tax Levy for public safety services. Depending on the number of certificates of occupancy issued by the City for completed homes, CFD 2014-01 revenues are estimated to be between \$4,050 - \$7,425.

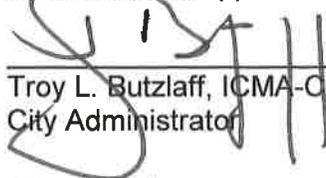
Prepared by:


Linda Magnuson
Chief Financial Officer

Reviewed and approved:


Damien R. Arrula
Assistant City Administrator

Reviewed and approved:


Troy L. Butzlaff, ICMA-CM
City Administrator

Attachment:

1. Resolution R-2014-__
2. Annual Special Tax Administration Report FY 2014-15
3. Exhibit C of Resolution R-2014-03

RESOLUTION NO. R-2014-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLACENTIA, STATE OF CALIFORNIA, AUTHORIZING THE DETERMINATION AND LEVY OF THE SPECIAL TAX IN COMMUNITY FACILITIES DISTRICT NO. 2014-01 FOR FISCAL YEAR 2014-15.

A. Recitals

(i). The City Council ("City Council") of the City of Placentia ("City") is the legislative body of Community Facilities District No. 2014-01 ("District"), which District was established pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California ("Act"), commencing with § 53311.

(ii). The City Council has enacted Ordinance No. 0-2014-03 of the City in accordance with § 53340 of the Act authorizing the levy of a special tax on the property located within the District.

(iii). The City wishes to designate a Financial Consultant to prepare the information and the proceedings to levy the annual special tax for Fiscal Year 2014-15.

(iv). The City has received a report relating to the 2014-15 special tax levy of the District entitled Annual Special Tax Administration Report 2014-15, dated July 2014 ("Report"), prepared at the request of the Chief Financial Officer of the City by the firm of Willdan Financial Services.

(v). The City has completed all steps necessary to levy a special tax in accordance with the procedures set forth in the Act.

B. Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PLACENTIA AS FOLLOWS:

1. All facts set forth in the Recitals, Part A of this Resolution are true and correct.

2. The City Council previously designated the firm of

Willdan Financial Services as Financial Consultant to prepare the information and the proceedings to levy the annual special tax for Fiscal Year 2014-15 which has heretofore prepared the report required by law, a full, true and correct copy of which is attached hereto as Exhibit "A."

3. Pursuant to the provisions of Resolution No. R-2014-03, adopted January 7, 2014, and Ordinance No. 0-2014-03, adopted March 4, 2014, there is hereby levied an aggregate special tax on taxable parcels which comprise the District, for Fiscal Year 2014-15, of \$225.00 per Residential Unit (Single Family Residential Property) and \$170.00 per Residential Unit (Multi Family Residential Property) as set forth in the Report.

5. The rate of special tax utilized in the preparation of the Report does not exceed the amount authorized by the Ordinance, and is not in excess of that approved by the qualified electors of the District.

6. All special taxes collected will be paid to the City for the District for deposit in the Special Tax Fund upon receipt by the City from the Auditor-Controller.

7. The Auditor-Controller hereby is directed to enter on the next County assessment roll on which taxes will become due, opposite each lot or parcel of land affected, in a line item designated "CFD No. 2014-01 Special Tax," or any other suitable designation, the installment of the special tax for the exact rate and amount of the special tax levied in accordance with this resolution.

8. The Auditor-Controller shall, at the close of the tax collection period, promptly render to the District a detailed report showing the amounts of the special tax installments, penalties, interest, and fees collected, and from which properties collected. Any expenses to be paid to the Auditor-Controller for carrying out the foregoing responsibilities shall be in accordance with a contract entered into between the District and the Auditor-Controller, pursuant to § 29304 of the California Government Code.

Section 9. This resolution shall take effect immediately upon its passage and adoption.

PASSED, ADOPTED and APPROVED this 22nd day of July, 2014.

SCOTT W. NELSON, MAYOR
CITY OF PLACENTIA

ATTEST:

PATRICK J. MELIA, CITY CLERK
CITY OF PLACENTIA

STATE OF CALIFORNIA

I, PATRICK J. MELIA, CITY CLERK of the CITY OF PLACENTIA, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution, being Resolution No. R-2014-xx, was duly passed, approved and adopted by the City Council, approved and signed by the Mayor and attested by the City Clerk, all at the regular meeting of the said City Council held on the 22nd day of July, 2014, and that the same was passed and adopted by the following vote:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

ABSTAIN: COUNCILMEMBERS:

PATRICK J. MELIA, CITY CLERK
CITY OF PLACENTIA
STATE OF CALIFORNIA

APPROVED AS TO FORM:

ANDREW V. ARCZYNSKI,
CITY ATTORNEY

EXHIBIT C

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

CITY OF PLACENTIA COMMUNITY FACILITIES DISTRICT NO. 2014-01 (PUBLIC SERVICES)

A Special Tax as hereinafter defined shall be levied on all Assessor's Parcels within the City of Placentia Community Facilities District No. 2014-01 (Public Services), ("CFD No. 2014-01"), other than Assessor's Parcels classified as Exempt Property as defined herein, and collected each Fiscal Year commencing in Fiscal Year 2014-2015, in an amount determined by the CFD Administrator through the application of the procedures described below. All of the real property within CFD No. 2014-01, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to CFD No. 2014-01, unless a separate Rate and Method of Apportionment of Special Tax is adopted for the annexation area.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acre or Acreage" means the land area of an Assessor's Parcel, expressed in acres, as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Final Subdivision Map, other final map, other parcel map, other condominium plan, or functionally equivalent map or instrument recorded in the Office of the County Recorder. The square footage of an Assessor's Parcel is equal to the Acreage multiplied by 43,560.

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

"Administrative Expenses" means the following actual or reasonably estimated expenses related to the administration of CFD No. 2014-01: the costs of determining the amount of the levy of Special Taxes, the collection of Special Taxes, including the expenses of collecting delinquencies and pursuing foreclosures, the payment of a proportional share of salaries and benefits of any City employee and City overhead whose duties are directly related to the administration of CFD No. 2014-01, fees and expenses for counsel, audits, costs associated with responding to public inquiries regarding CFD No. 2014-01, and any and all other costs incurred in connection with the administration of CFD No. 2014-01.

"Annual Escalation Factor" means the greater of five percent (5%) or the annual percentage increase, if any, of the All Urban Consumers Consumer Price Index ("CPI"). The annual CPI used shall be for the area of Los Angeles – Riverside – Orange County, CA as determined by the Bureau of Labor Statistics for the twelve (12) months ending the preceding December 31.

"Assessor's Parcel" means a Condominium lot, Lot, or parcel shown in an Assessor's Parcel Map with an assigned assessor's parcel number.

"Assessor's Parcel Map" means an official map of the Assessor of the County designating parcels by assessor's parcel number.

"Base Year" means Fiscal Year beginning July 1, 2014 and ending June 30, 2015.

EXHIBIT C

“Boundary Map” means the map of the boundaries of CFD No. 2014-01 recorded on _____, 2014 in the Orange County Recorder’s Office in Book __, Pages __, of Maps of Assessments and Community Facilities Districts (instrument number _____), as the same may be amended by annexation from time to time hereafter.

“Building Permit” means a permit issued for new construction of a residential dwelling. For purposes of this definition, “Building Permit” shall not include permits for construction or installation of retaining walls, grading, utility improvements, or other such improvements not intended for human habitation.

“CFD Administrator” means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement for Services and providing for the levy and collection of the Special Taxes for CFD No. 2014-01.

“CFD No. 2014-01” means City of Placentia Community Facilities District No. 2014-01 (Public Services) established by the City Council under the Act.

“City” means the City of Placentia.

“City Council” means the Council of the city of Placentia, acting as the legislative body of CFD No. 2014-01.

“Condominium” means an estate in real property consisting of an undivided interest in common in a portion of a parcel of real property together with a separate interest in space in a residential, industrial or commercial building on such real property, such as an apartment, office or store. A condominium may include in addition a separate interest in other portions of such real property. Such estate may, with respect to the duration of its enjoyment, be either:

- (1) An estate of inheritance or perpetual estate;
- (2) An estate for life; or
- (3) An estate for years, such as a leasehold or a sublease hold.

“County” means the County of Orange.

“Developed Property” means an Assessor’s Parcel of Taxable Property for which a Building Permit was issued on or before **June 1** preceding the Fiscal Year for which Special Taxes are being levied.

“Developed Residential Property” means an Assessor’s Parcel of Taxable Property for which a Building Permit was issued on or before **June 1** preceding the Fiscal Year for which Special Taxes are being levied and which Building Permit was issued for purposes of constructing one or more Residential Unit(s).

“Exempt Property” means all Assessor’s Parcels within CFD No. 2014-01 that are exempt from the Special Taxes pursuant to law or Section F herein.

“Final Map” means an Assessor’s Parcel Map, a Final Subdivision Map, condominium plan, lot line adjustment, or any other map functionally considered to be an equivalent development map that has been recorded in the Office of the County Recorder.

“Final Subdivision Map” means a subdivision of property creating single family residential buildable Lots by recordation of a final subdivision map or parcel map pursuant to the Subdivision Map Act (California Government Code § 66410, et seq.), or recordation of a condominium plan pursuant to California Civil Code § 1352, that creates individual Lots or condominium lots for which building permits may be issued without further subdivision and is recorded prior to **June 1** preceding the Fiscal Year in which the Special Tax is being levied.

“Fiscal Year” means the period commencing on July 1 of any year and ending the following June 30.

EXHIBIT C

“Future Annexation Area” means the areas designated for potential future annexation to CFD No. 2014-01 as shown in the “Map of Proposed Boundaries of City of Placentia Future Annexation Area of Community Facilities District No. 2014-01 (Public Services)” recorded and on file with the Orange County Recorder’s Office.

“Land Use Type” means any of the land use types listed in Table 1 below.

“Lot” means property within a Final Map identified by a lot number or condominium number for which a Building Permit has been issued or may be issued.

“Maximum Special Tax” means the maximum Special Tax determined in accordance with Section C, which may be levied in any Fiscal Year on an Assessor’s Parcel of Taxable Property.

“Multi-Family Residential Property” or “MFR Property” means all Assessor’s Parcels of Developed Property for which a Building Permit has been issued for purposes of constructing a residential structure consisting of five (5) or more residential units that share common walls, including, but not limited to, condominiums, and apartment units.

“Property Owner Association Property” means for each Fiscal Year any property within the boundaries of CFD 2014-01 that was owned by, or irrevocably dedicated as indicated in an instrument recorded with the County Recorder to, a property owner association, including any master or sub-association, as of **June 1**.

“Proportionately” means in a manner such that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor’s Parcels within each Land Use Type.

“Public Property” means any property that is owned by, dedicated or irrevocably dedicated to a city, the federal government, the State of California, the County, or any other public agency (each, a “Public Entity”); provided, however, that if any such property is leased by such a Public Entity to a private entity and is thereby subject to taxation pursuant to § 53340.1 of the Act, such leasehold estate shall be classified and taxed according to the use thereof.

“Residential Property” means all Assessor’s Parcels of Developed Property within CFD No. 2014-01 for which a Building Permit has been issued for purposes of constructing one or more Residential Unit(s).

“Residential Unit” means any residence in which a person or persons may live, which is not considered to be used for non-residential purposes.

“Services” means those authorized services that may be funded by CFD No. 2014-01 pursuant to the Act, as amended, including, without limitation, those services authorized to be funded by CFD No. 2014-01 as set forth in the documents adopted by the City Council at the time CFD No. 2014-01 was formed.

“Single-Family Residential Property” or “SFR Property” means an Assessor’s Parcel classified as Developed Property for which a Building Permit(s) has been issued for purposes of constructing one or more single-family residential dwelling units including residential structures or Condominium structures that consist of 4 or fewer units which share common walls.

“Special Tax” means the special tax authorized to be levied within CFD No. 2014-01 pursuant to the Act to fund the Special Tax Requirement.

“Special Tax Requirement” means the amount, as determined by the CFD Administrator, for any Fiscal Year to: (i) pay the costs of providing the Services during such Fiscal Year, (ii) pay Administrative Expenses associated with the Special Tax, (iii) establish or replenish any operational reserve fund established for Services, (iv) pay incidental expenses related to the Services as authorized pursuant to the Act, (v) fund an amount equal to a reasonable estimate

EXHIBIT C

of delinquencies expected to occur in the Fiscal Year in which the Special Tax will be levied (“Estimated Special Tax Delinquency Amount”) and (vi) fund the shortfall, if any, in the Special Tax revenues collected in the preceding Fiscal Year necessary to fund the Special Tax Requirement for Services for such Fiscal Year where such shortfall resulted from delinquencies in the payment of Special Taxes in such Fiscal Year that exceeded the Estimated Special Tax Delinquency Amount included in the Special Tax Requirement for Services for such Fiscal Year.

“**Taxable Property**” means all Assessor’s Parcels that are not exempt from the Special Tax pursuant to law or Section F.

“**Undeveloped Property**” means an Assessor’s Parcel of Taxable Property for which a Building Permit has not been issued on or before **June 1** preceding the Fiscal Year for which Special Taxes are being levied.

B. CLASSIFICATION OF ASSESSOR'S PARCELS

Each Fiscal Year, beginning with Fiscal Year 2014-2015, using the definitions above, each Assessor’s Parcel within CFD 2014-01 shall be classified by the CFD Administrator as Taxable Property or Exempt Property. In addition, each such Fiscal Year, each Assessor’s Parcel of Taxable Property shall be further classified by the CFD Administrator as Developed Property or Undeveloped Property. Developed Property shall be further classified as Single-Family Residential Property or Multi-Family Residential Property. Commencing with Fiscal Year 2014-2015 and for each subsequent Fiscal Year, Developed Residential Property shall be subject to the levy of Special Taxes pursuant to Section C below.

C. MAXIMUM ANNUAL SPECIAL TAXES

1. Developed Residential Property

Each Fiscal Year commencing in Fiscal Year 2014-2015, each Assessor’s Parcel of Developed Residential Property shall be subject to the Special Tax. The Maximum Special Tax for Developed Residential Property for Fiscal Year 2014-2015 is shown below in Table 1.

**TABLE 1
DEVELOPED RESIDENTIAL PROPERTY
MAXIMUM SPECIAL TAX RATES**

Land Use Type	Maximum Special Tax
Residential	
SFR Property	\$225 per Residential Unit
MFR Property	\$170 per Residential Unit

For each subsequent Fiscal Year following the Base Year, the Maximum Special Tax rate shall be increased from the Maximum Special Tax rate in effect for the prior Fiscal Year by the Annual Escalation Factor.

EXHIBIT C

2. Annexed Property

Each Fiscal Year commencing in Fiscal Year 2014-2015, each Assessor's Parcel of Developed Residential Property that has been annexed into CFD 2014-01 shall be subject to the prevailing Special Tax in effect during the then current Fiscal Year and as determined by Section C.1 above.

3. Undeveloped Property

Each Fiscal Year commencing in Fiscal Year 2014-2015, each Assessor's Parcel classified as Undeveloped Property shall be exempt from the levy of the Special Tax

4. Exempt Property

No Special Tax shall be levied on Exempt Property as defined in Section F.

For each Fiscal Year, if the use or ownership of an Assessor's Parcel or Exempt Property changes so that such Assessor's Parcel is no longer classified as one of the uses set forth in Section F, therefore making such Assessor's Parcel no longer eligible to be classified as Exempt Property, such Assessor's Parcel shall be deemed to be Taxable Property and shall be taxed pursuant to the provisions of Section C.

D. METHOD OF APPORTIONMENT OF SPECIAL TAX

Commencing in Fiscal Year 2014-2015 and for each subsequent Fiscal Year, the CFD Administrator shall levy the Special Tax on all Taxable Property of CFD No. 2014-01 until the total amount of Special Tax levied equals the Special Tax Requirement. The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property within CFD No. 2014-01 up to 100% of the applicable Maximum Special Tax to satisfy the Special Tax Requirement.

Notwithstanding any provision of this Section D to the contrary, under no circumstances will the Special Tax levied against any Assessor's Parcel of Developed Property that is classified as Residential Property be increased by more than ten percent (10%) per Fiscal Year as a consequence of delinquency or default in the payment of Special Taxes by the owner of any other Assessor's Parcel, excluding therefrom the increased amount levied pursuant to the Annual Escalation Factor.

E. PREPAYMENT OF SPECIAL TAX

The Special Tax shall be levied in perpetuity for the purpose of financing ongoing authorized services and therefore may not be prepaid.

F. EXEMPTIONS

The City Council shall classify as Exempt Property: (i) Public Property, (ii) Property Owner Association Property, (iii) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement, including but not limited to property designated for open space, trails, pathways, parks or park and recreation related facilities, (iv) property reasonably designated by the City or CFD Administrator as Exempt Property due to deed restrictions, conservation easement, or similar factors.

EXHIBIT C

G. APPEALS

Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the CFD Administrator not later than twelve months after having paid the first installment of the Special Tax that is disputed. The CFD Administrator shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, and rule on the appeal. If the decision of the CFD Administrator requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the property owner, a cash refund shall not be made but an adjustment shall be made to the Special Tax on that Assessor's Parcel in the subsequent Fiscal Year(s) to compensate for the overpayment of the Special Tax.

H. MANNER OF COLLECTION

The annual Special Taxes shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that the Special Taxes may be billed and collected at a different time or in a different manner if necessary to meet the financial obligations of CFD No. 2014-01.



City of Placentia

Community Facilities District No. 2014-01

Annual Special Tax Administration Report 2014-2015

JULY 2014

27368 Via Industria
Suite 110
Temecula, CA 92590
T 951.587.3500 | 800.755.6864
F 951.587.3510

www.willdan.com/financial

Annual Special Tax Administration 2014-2015

On February 18, 2014, at the election held pursuant to the Mello Roos community Facilities Act of 1982, as amended (Section 53311 et seq. of the Government Code of the State of California) (the "Act"), the qualified electors of the District authorized formation of the District and approved the rate and method of apportionment of the Special Tax.

CFD No. 2014-01 was formed to help provide funding for police protection services and fire protection and suppression services, including but not limited to (i) the costs of contracting services; (ii) equipment, vehicles, ambulances and paramedics, fire apparatus, supplies; (iii) the salaries and benefits of City staff that directly provide police protection services and fire protection and suppression services and other services as defined herein, respectively; and (iv) City overhead costs associated with providing such services within the District.

The Special Tax revenues will only be used to finance Services that are in addition to those provided in or required for the territory within the District, and will not be replacing services already available. The Special Tax provides only partial funding for police and fire services.

All Developed Single Family Residential (SFR) properties and Multi-Family Residential (MFR) properties within the boundaries of CFD No. 2014-01 are subject to the Special Tax as described in the Rate and Method of Apportionment of Special Tax.

The Special Tax levied to pay for services will not exceed the Maximum Special Tax as summarized below:

Land Use Type	FY 2014-2015 Maximum Special Tax
Single Family Residential Property	\$225 per Residential Unit
Multi Family Residential Property	\$170 per Residential Unit

The Special Taxes for the District will be collected in the same manner and at the same time as ordinary ad valorem property taxes. Any landowner or resident who feels that the amount of the Special Tax, as to their parcel, is in error may file a notice with the Review/Appeal Committee of the District. The Review/Appeal Committee will make determinations regarding the annual administration of the Special Tax and any landowner or resident appeals.

RESOLUTION NO. R-2014-03

RESOLUTION OF INTENTION OF THE CITY COUNCIL
OF THE CITY OF PLACENTIA TO ESTABLISH
COMMUNITY FACILITIES DISTRICT NO. 2014-01 OF
THE CITY OF PLACENTIA AND TO AUTHORIZE THE
LEVY OF A SPECIAL TAX WITHIN COMMUNITY
FACILITIES DISTRICT NO. 2014-01 OF THE CITY
OF PLACENTIA

A. Recitals.

(i). The City Council ("Council") of the City of Placentia ("City") has received a petition ("Petition") requesting the institution of proceedings for the formation of a community facilities district pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, commencing with § 53311 of the California Government ("Act").

(ii). The Council has determined that the Petition complies with the requirements of California Government Code § 53318 and now intends to form Community Facilities District No. 2014-01 of the City of Placentia.

(iii). The Council desires to adopt this resolution of intention as provided in § 53321 of the Act to establish a community facilities district consisting of the territory described in Exhibit "A" hereto and incorporated herein by this reference, which the Council hereby determines shall be known as "Community Facilities District No. 2014-01 of the City of Placentia" ("Community Facilities District No. 2014-01" or "District") pursuant to the Act to finance (1) the public services described in Exhibit "B" hereto and incorporated herein by this reference ("Services"); and (2) the incidental expenses to be incurred in connection with financing the Services and forming and administering the District ("Incidental Expenses").

(iv). It is the intention of the Council to consider financing the Services and the Incidental Expenses through the formation of Community Facilities District No. 2014-01 and the levy of a special tax therein to pay for the Services and the Incidental Expenses, provided that the special tax levies are approved at an election to be held within the District.

B. Resolution.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PLACENTIA DOES HEREBY FIND, DETERMINE AND RESOLVE AS FOLLOWS:

1. In all respects as set forth in the Recitals, Part A., of this Resolution.

2. A community facilities district is proposed to be established under the terms of the Act. It is further proposed that the boundaries of the community facilities district shall be as described in Exhibit "A" hereto, which boundaries shall, upon recordation of the boundary map for the District, include the entirety of any parcel subject to taxation by the District. The proposed boundaries of the District are depicted on the map of the proposed Community Facilities District No. 2014-01 which is on file in the office of the City Clerk entitled "Proposed Boundaries, Community Facilities District No. 2014-01 of the City of Placentia" which map indicates by a boundary line the extent of the territory included in the proposed community facilities district and shall govern for all details as to the extent of Community Facilities District No. 2014-01. On the original and one (1) copy of the map of said Community Facilities District No. 2014-01 on file in the City Clerk's office, the City Clerk shall endorse the certificate evidencing the date and adoption of this resolution. The City Clerk shall file the original of such map in her office and, within fifteen (15) days after the adoption of this Resolution, and shall file a copy of such map so endorsed in the records of the County Recorder, County of Orange, State of California, all as required by § 3111 of the California Streets and Highways Code.

3. The name of the proposed City of Placentia Community Facilities District shall be "Community Facilities District No. 2014-01 of the City of Placentia."

4. The Services proposed to be provided and financed by Community Facilities District No. 2014-01 are described on Exhibit "B" attached hereto. The cost of providing the Services includes "Incidental Expenses," which include expenses to be incurred in connection with the determination of the amount of the levy of the special tax, the collection of the special tax including the expenses of collecting delinquencies, the payment of salaries and benefits of any City employee whose duties are directly related to the administration of the District, and costs otherwise incurred in order to carry out the authorized purposes of the District. The Council hereby finds and

determines that the description of the Services herein is sufficiently informative to allow taxpayers within the proposed District to understand what the funds may be used to finance. The City Council hereby finds that the proposed Services are necessary to meet increased demands placed upon the City as a result of development occurring in Community Facilities District No. 2014-01

5. Except where funds are otherwise available, it is the intention of the City Council to levy annually in accordance with procedures contained in the Act a special tax within the District, secured by recordation of a continuing lien against all nonexempt real property in the District, sufficient to pay for the Services and Incidental Expenses. The rate and method of apportionment and manner of collection of the special tax within the District is described in detail in Exhibit "C" attached hereto and incorporated herein by this reference. Exhibit "C" allows each landowner within the District to estimate the maximum amount that may be levied against each parcel. In the first year in which such special tax is levied, the levy shall include an amount sufficient to repay the District all amounts, if any, transferred to the District pursuant to § 53314 of the Act and interest thereon.

6. If special taxes of the District are levied against any parcel used for private residential purposes, (i) the maximum special tax rate shall not be increased over time except that it may be increased by an amount not to exceed the greater of five percent (5%) or the annual percentage increase, if any, of the All Urban Consumers Consumer Price Index ("CPI"). The annual CPI used shall be for the area of Los Angeles - Riverside - Orange County, CA as determined by the Bureau of Labor Statistics for the twelve (12) months ending the preceding December 31 to the extent permitted in the rate and method of apportionment; (ii) such tax shall be levied for a period not to exceed fifty (50) years commencing with Fiscal Year 2014-15, as further described in Exhibit "C" hereto; and (iii) under no circumstances will such special tax be increased as a consequence of delinquency or default by the owner of any other parcels within the District by more than ten percent (10%).

7. The special tax within the proposed District is based on the expected demand that each parcel of real property within the proposed District will place on the Services and on the benefit that each parcel derives from the Services. The City Council hereby determines that the proposed Services are necessary to meet the increased demand placed upon the City as a

result of the development of land proposed for inclusion in the District. The City Council hereby determines the rate and method of apportionment of the special tax set forth in Exhibit "C" for the District to be reasonable. The special tax is apportioned to each parcel on the foregoing basis pursuant to § 53325.3 of the Act and such special tax is not based upon the value or ownership of real property. In the event that a portion of the property within Community Facilities District No. 2014-01 shall become for any reason exempt, wholly or partially, from the levy of the special tax specified on Exhibit "C", the City Council shall, on behalf of Community Facilities District No. 2014-01, cause the levy to be increased, subject to the limitation of the maximum special tax for a parcel as set forth in Exhibit "C," to the extent necessary upon the remaining property within the District which is not delinquent or exempt in order to yield the special tax revenues required for the purposes described in § 5, above. The obligation to pay special taxes may be prepaid as set forth in Exhibit "C."

8. A public hearing (the "Hearing") on the establishment of Community Facilities District No. 2014-01, the proposed rate and method of apportionment of the special tax and the Incidental Expenses shall be held on January XX, 2014 at 7:00 o'clock p.m., or as soon thereafter as the matter may be heard, at the chambers of the City Council of the City of Placentia, 401 E. Chapman Avenue, Placentia, California 92870-6101. Should the City Council determine to form the District, a special election will be held within the District to authorize the levy of the special tax in accordance with the procedures contained in California Government Code § 53326. If held, the proposed voting procedure at the elections will be a landowner vote with each landowner who is the owner of record of land within the District at the close of the Hearing, or the authorized representative thereof, having one vote for each acre or portion thereof owned within the District. Ballots for the special elections may be distributed by mail or by personal service.

9. At the time and place set forth above for the Hearing, any interested person, including all persons owning lands or registered to vote within the proposed District, may appear and be heard.

10. Each City officer who is or will be responsible for providing one or more of the proposed types of Services to be financed by Community Facilities District No. 2014-01, if it is established, hereby is directed to study the proposed community facilities district and, at or before the time of the above-

mentioned Hearing, file a report ("Report") with the City Council, which is to be made a part of the record of the Hearing, containing a brief description of the Services that will in his or her opinion be required to adequately meet the needs of Community Facilities District No. 2014-01 and an estimate of the cost of providing those Services, including an estimate of the fair and reasonable cost of any Incidental Expenses to be incurred.

11. The City may accept advances of funds or work-in-kind from any sources, including, but not limited to, private persons or private entities, for any authorized purpose, including, but not limited to, paying the cost incurred in creating Community Facilities District No. 2014-01. The District may enter into an agreement with the person or entity advancing the funds or work-in-kind, to repay all or a portion of the funds advanced, or to reimburse the person or entity for the value, or cost, whichever is less, of the work-in-kind, as determined by the City Council, with or without interest.

12. The City Clerk is hereby directed to publish a notice ("Notice") of the Hearing pursuant to California Government Code § 6061 in a newspaper of general circulation published in the area of the proposed District. Such Notice shall contain the text of this Resolution, state the time and place of the Hearing, a statement that the testimony of all interested persons or taxpayers will be heard, a description of the protest rights of the registered voters and landowners in the proposed District as provided in § 53324 of the Act and a description of the proposed voting procedure for the election required by the Act. Such publication shall be completed at least seven (7) days prior to the date of the Hearing.

24. The Mayor shall sign this Resolution, and the City Clerk shall attest and certify to the passage and adoption thereof.

APPROVED and ADOPTED this 7th day of January, 2014.



MAYOR NELSON,
CITY OF PLACENTIA
INCORPORATED
DEC 2, 1926
CALIFORNIA

ATTEST:



PATRICK J. MELIA, CITY CLERK

I, PATRICK J. MELIA, CITY CLERK of the CITY OF PLACENTIA DO HEREBY CERTIFY that the foregoing Resolution No. was adopted at a regular meeting of the City Council held on the 7th day of January, 2014 by the following vote:

AYES: Aguirre, Nelson, Underhill, Wanke, Yamaguchi

NOES: None

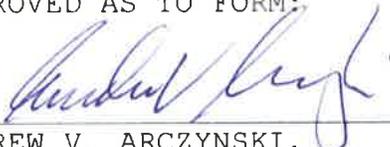
ABSENT: None

ABSTAIN: None



PATRICK J. MELIA, CITY CLERK

APPROVED AS TO FORM:



ANDREW V. ARCZYNSKI,
CITY ATTORNEY



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL
VIA: CITY ADMINISTRATOR
FROM: TRAFFIC ENGINEER
DATE: JULY 22, 2014
SUBJECT: **CROWTHER AVENUE PARKING RESTRICTION REMOVAL**
FISCAL
IMPACT: NONE

SUMMARY:

Staff is proposing to remove a portion of the existing 'No Stopping Any Time' restriction on the north side of Crowther Avenue west of Melrose Street, thereby providing 210 feet of on-street parking. The ten (10) new on-street parking spaces will partially compensate the adjacent property for parking spaces that will be lost when the City demolishes the former packing house on the northeast corner of Crowther Avenue and Melrose Street.

RECOMMENDATION:

It is recommended that City Council take the following action:

1. Adopt Resolution R-2014-xx, A Resolution of the City Council of the City of Placentia, California, removing the existing parking restriction on Crowther Avenue.

DISCUSSION:

Staff is requesting that on-street parking be restored on the north side of Crowther Avenue, in the widened section west of Melrose Street (see Exhibits 1, 2 and 3), providing ten (10) parking spaces. The restored parking spaces would be in front of the former packing house on the northwest corner of Crowther Avenue and Melrose Street that was converted to leased commercial units (341 and 355 W. Crowther Avenue and 404 Evelyn Place) ("West Packing House"). The additional parking spaces would help make up for parking that will be lost in the parking lot of the former packing house on the northeast corner of Melrose Street and Crowther Avenue (207, 209 and 211 W. Crowther Avenue) ("East Packing House").

In 2009 the City purchased the East Packing House (207, 209 and 211 W. Crowther Avenue) from the owner of the West Packing House. As a condition of the purchase and sale agreement, the City is required to provide fifteen (15) off-street parking spaces in the parking lot of the East Packing House. The City is in the process of demolishing the East Packing House resulting in the loss of the fifteen (15) off-street parking spaces for West Packing House. The

1.d.
July 22, 2014

restored on-street parking is designed to help off-set the spaces that will be lost until additional parking can be secured in the future.

An analysis of the intersection of Crowther Avenue and Melrose Street indicated that the intersection would continue to operate at an acceptable level of service both now and in the future. The removal of the parking restriction can be implemented by removing the 'No Stopping Any Time' signs, as shown on Exhibit 3, and re-striping the westbound lanes of Crowther Avenue east and west of Melrose Street, as shown on Exhibits 4 and 5.

Traffic Safety Commission Recommendation

On June 16, 2014, the Traffic Safety Commission voted 6-0-1 (Stafford absent) to recommend approval of removing the parking restriction on Crowther Avenue.

FISCAL IMPACT:

None

Prepared by:


Ruth Smith, PE
Traffic Engineer

For Ruth Smith

Reviewed and approved:


Damien R. Arrula
Assistant City Administrator

Reviewed and approved:


Troy L. Butzlaff, ICMA-CM
City Administrator

Attachments:

1. Resolution R-2014-xx
2. Exhibit 1 "Vicinity Map"
3. Exhibit 2 "Location Map"
4. Exhibit 3 "Existing Land Configurations & Proposed Parking Change"
5. Exhibit 4 "Proposed Lane Modifications East of Melrose Street"
6. Exhibit 5 "Proposed Lane Modifications West of Melrose Street"

RESOLUTION NO. R-2014-

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF PLACENTIA, CALIFORNIA, REMOVING PARKING
RESTRICTIONS ON CROWTHER AVENUE**

A. Recitals.

(i). A "No Parking Any Time" parking restriction exists on the north side of Crowther Avenue west of Melrose Street.

(ii). An agreement related to the Melrose Underpass Project and made with the owner of the converted packing house west of Melrose Street requires the City to provide 15 off-street parking spaces in the parking lot of the converted packing house east of Melrose Street (207, 209 and 211 West Crowther Avenue). The converted packing house east of Melrose Street is now scheduled to be torn down for the new Placentia Metrolink station, resulting in the loss of the 15 off-street parking spaces.

(iii). City staff proposes to remove 210 feet of the parking restriction to provide 10 on-street parking spaces as an interim condition to help off-set the parking spaces that will be lost.

(iv). An analysis of the intersection of Crowther Avenue and Melrose Street indicated that the intersection would continue to operate at an acceptable level of service both now and in the future.

(v). The removal of the parking restriction may be implemented by removing relevant "No Stopping Any Time" signs and re-striping the westbound lanes of Crowther Avenue east and west of Melrose Street.

(vi). The Placentia Traffic Safety Commission has recommended removal of the parking restriction on Crowther Avenue as described herein.

(viii). The City Council concurs with the findings and recommendations of the City Traffic Engineer and the Traffic Safety Commission regarding removing the parking restriction on Crowther Avenue.

(ix). All legal prerequisites to the adoption of this Resolution have occurred.

B. Resolution.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PLACENTIA DOES HEREBY FIND, DETERMINE AND RESOLVE AS FOLLOWS:

1. In all respects as set forth in the Recitals, Part A., of this Resolution.

2. The City Council of the City of Placentia hereby authorizes and directs the Public Works Director to remove the existing "No Parking Any Time" signs on the north side of Crowther Avenue from 60 feet to 435 feet west of Melrose Street, install red curb on the north side of Crowther Avenue from 60 feet to 100 feet west of Melrose Street, and modify the street striping on Crowther Avenue to remove the westbound curb lane east and west of Melrose Street and to install a westbound right turn lane.

3. The Mayor shall sign this Resolution, and the City Clerk shall attest and certify to the passage and adoption thereof.

APPROVED and ADOPTED this 22nd day of July, 2014.

SCOTT W. NELSON,
MAYOR

ATTEST:

PATRICK J. MELIA,
CITY CLERK

I, PATRICK J. MELIA, CITY CLERK of the CITY OF PLACENTIA DO HEREBY CERTIFY that the foregoing Resolution No. was adopted at a regular meeting of the City Council held on the 22nd day of July, 2014 by the following vote:

AYES: COUNCILMEMBERS:

NOES: COUNCILMEMBERS:

ABSENT: COUNCILMEMBERS:

ABSTAIN: COUNCILMEMBERS:

PATRICK J. MELIA,
CITY CLERK

APPROVED AS TO FORM:

ANDREW V. ARCZYNSKI,
CITY ATTORNEY

EXHIBIT 1
VICINITY MAP

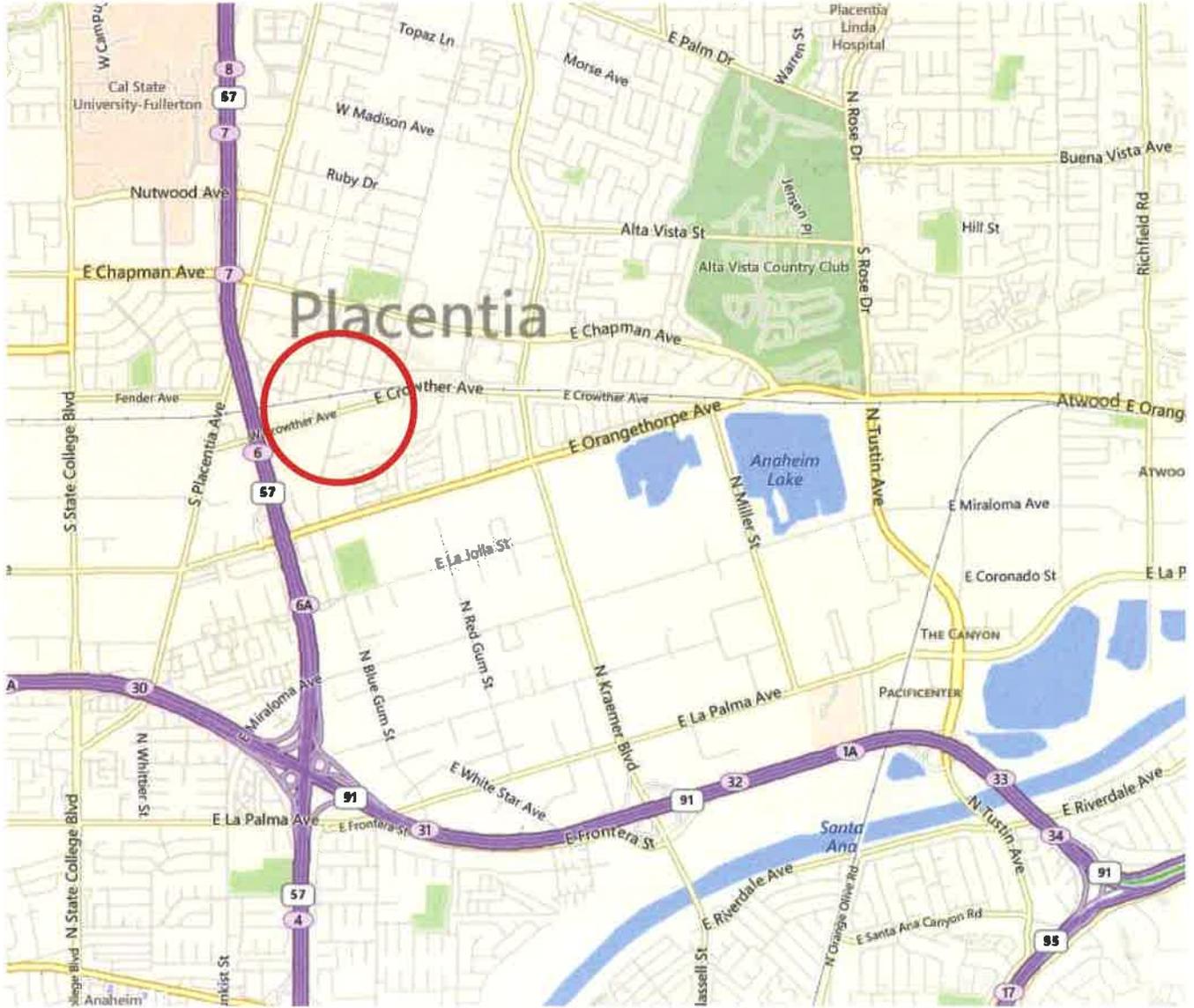


EXHIBIT 2
LOCATION MAP

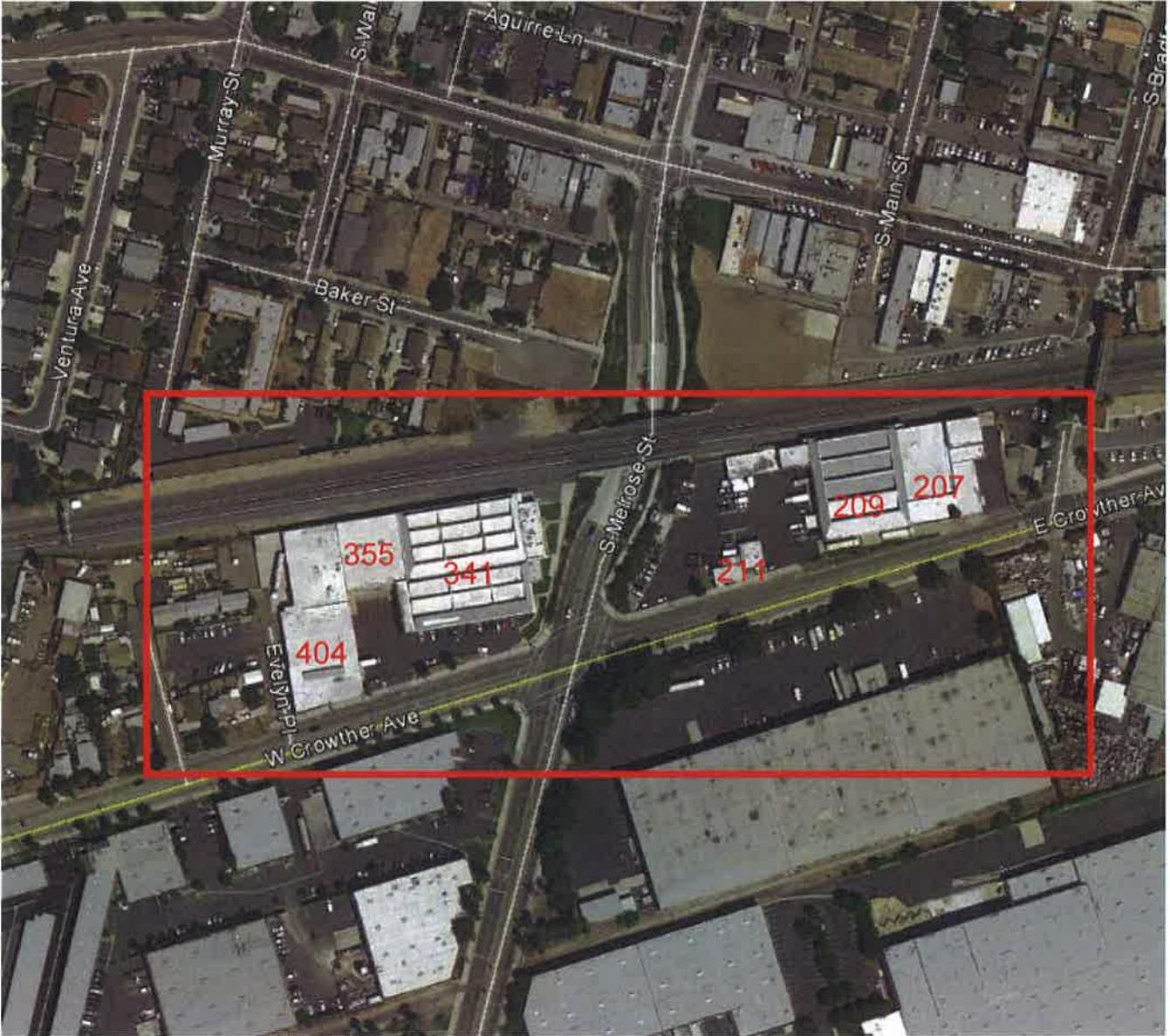
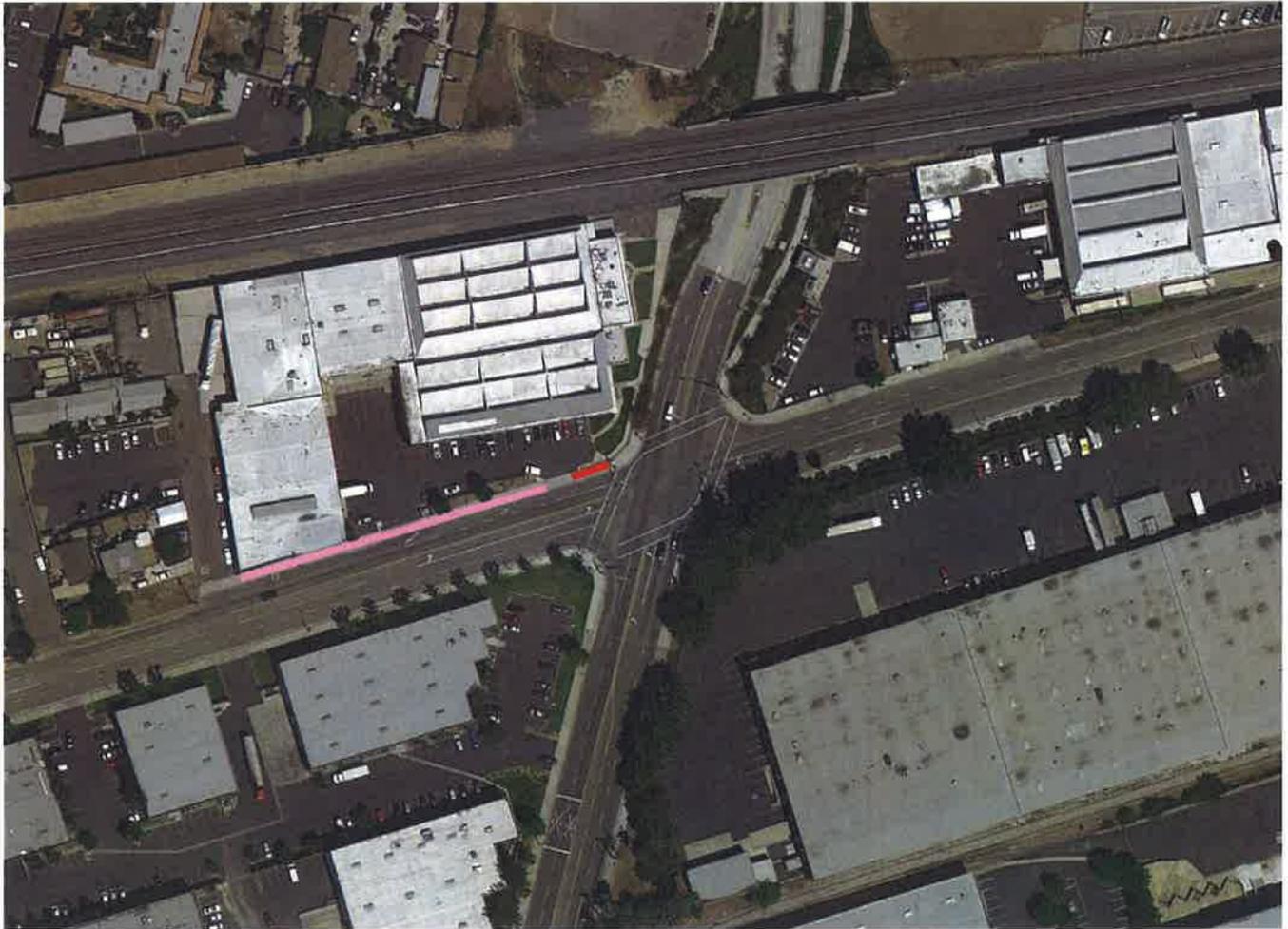


EXHIBIT 3

EXISTING LANE CONFIGURATIONS & PROPOSED PARKING CHANGE



LEGEND:



= Proposed Removal of No Stopping Any Time Restriction



= Proposed Red Curb for No Stopping Any Time



EXHIBIT 4

PROPOSED LANE MODIFICATIONS EAST OF MELROSE STREET



EXHIBIT 5

PROPOSED LANE MODIFICATIONS WEST OF MELROSE STREET



LEGEND:

_____ = Remove Lane Line and Merge Arrows
 = Remove Lane Line and Merge Arrows



Placentia City Council

AGENDA REPORT

TO: CITY COUNCIL

VIA: CITY ADMINISTRATOR

FROM: DIRECTOR OF ADMINISTRATIVE SERVICES

DATE: JULY 22, 2014

SUBJECT: **Consideration of Resolutions to Add a Ballot Measure to the November 4, 2014 General Municipal Election and Authorize the Priority and Deadline for the Submission of Written Arguments and providing for the Filing of Rebuttal Arguments**

FISCAL

IMPACT: EXPENSE: \$8,500 (Estimated cost to place measure on ballot)
BUDGETED IN FY 2014-15: \$46,500 (ACCOUNT NO.: 101002-6299) and it is estimated that this amount will cover the cost for the elections of officers and the ballot measure

SUMMARY:

Earlier this year the City retained a consulting firm to examine the City's financial challenges and to devise recommendations for achieving fiscal sustainability. The consulting firm prepared a Budget Stabilization Plan that included different revenue enhancements, compensation changes and alternative service delivery methods that could be pursued to alleviate the City's current structural deficit and achieve long-term fiscal sustainability. After careful consideration of the various revenue enhancements suggested in the Budget Stabilization Plan, Staff has determined that the most prudent, reasonable and financially sound action it can take to protect vital services and facilities and to achieve fiscal sustainability, is to place before the voters a ballot measure to increase the local transaction and use tax by 0.5%. In accordance with the California Elections Code, the City Council is required to approve several actions in order to add a measure to the General Municipal Election. This item adopts several resolutions ordering the submission of a ballot measure for the November 4, 2014 General Election, consolidating the ballot measure with the General Election, authorizing arguments for and against, rebuttal arguments and directing the preparation of an impartial analysis by the City Attorney.

RECOMMENDATION:

It is recommended that the City Council take the following actions:

1. **Review and consider the proposed ballot measure, an ordinance of the People of the City of Placentia entitled "AN ORDINANCE OF THE PEOPLE OF THE CITY OF PLACENTIA, CALIFORNIA ADDING A NEW CHAPTER 3.32 TO THE PLACENTIA MUNICIPAL CODE REGARDING A TRANSACTIONS AND USE TAX." Upon review and consideration, it is further recommended that the City Council adopt the resolutions presented for consideration to place the matter on the ballot for the November 4, 2014 General Election, consolidate the ballot item with the General Election, authorize arguments for and against, rebuttal arguments and directing the preparation of an impartial analysis by the City Attorney; and**

4.a.

July 22, 2014

2. **Adopt Resolution No. R-2014-xx, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA, ORDERING THE SUBMISSION TO THE QUALIFIED ELECTORS OF THE CITY OF A CERTAIN MEASURE RELATING TO A TRANSACTIONS AND USE TAX AT THE GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 4, 2014, AS CALLED BY RESOLUTION NO. R-2014-34"; and**
3. **Adopt Resolution No. R-2014-xx, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF ORANGE TO CONSOLIDATE A GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 4, 2014, WITH THE STATEWIDE GENERAL ELECTION, TO BE HELD ON THE DATE PURSUANT TO § 10403 OF THE CALIFORNIA ELECTIONS CODE"; and**
4. **Adopt Resolution No. R-2014-xx, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA, SETTING PRIORITIES FOR FILING WRITTEN ARGUMENTS REGARDING A CITY MEASURE AND DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS"; and**
5. **Adopt Resolution No. R-2014-xx, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA, PROVIDING FOR THE FILING OF REBUTTAL ARGUMENTS PERTAINING TO A CERTAIN MEASURE RELATING TO A TRANSACTIONS AND USE TAX AT THE GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 4, 2014, AS CALLED BY RESOLUTION NO. R-2014-34."**

DISCUSSION:

Like so many other cities across the country, Placentia has a structural imbalance where the cost of public services exceeds the amount of annual revenues received creating an ongoing budget deficit. This year the City's budget deficit was projected to reach \$1.7 Million. Fortunately, City Staff, through a combination of cost saving measures, staff reductions and slightly better revenue estimates, was able to present a balanced budget to the City Council. Unfortunately, more work lies ahead to address the fundamental structural imbalance that continues to prevent the City from achieving fiscal sustainability. Based on initial estimates, expenditures will continue to exceed available revenues each year and the structural deficit is projected to grow to nearly \$5 Million by FY 2017-18. Without additional revenue the City Council may have no choice, but to implement significant reductions in City services, facilities and programs including the potential closure of certain facilities, elimination of programs and the contracting out of various City departments such as Police and Public Works.

Earlier this year the City retained a consulting firm to examine the City's financial challenges and to devise recommendations for achieving fiscal sustainability. The consulting firm prepared a Budget Stabilization Plan that included different revenue enhancements, compensation changes and alternative service delivery methods that could be pursued to alleviate the City's current structural deficit and achieve long-term fiscal sustainability. After feedback received from several community meetings and though careful consideration of the various revenue enhancements suggested in the Budget Stabilization Plan, Staff has determined that the most prudent, reasonable and financially sound action the City Council can take to protect vital services and facilities and to achieve fiscal sustainability, is to place before the voters a ballot measure to increase the local transaction and use tax by 0.5%.

In California approximately 135 cities and counties have enacted local transaction tax measures to help protect and fund local services. In fact, 90% of the State's population resides in a city or county that has imposed a local transaction tax. Currently, the City of La Habra is the only city in Orange County that

has a locally approved half cent sales tax measure raising La Habra's sales tax rate to 8.5%. The City of Stanton will be asking voters to approve a 1% sales tax measure this November. Given the restrictions on locally controlled funding, many cities are considering sales tax increases given the flexibility that this revenue source provides to local communities.

Technically, the existing "sales tax" is a combination of "sales and use tax" and "transactions and use tax." Retailers collect the tax at the time of sale and remit the funds to the State Board of Equalization, which administers the tax. Because this proposed Transactions and Use Tax does not limit the use of tax revenue to a specific purpose, the proposed tax is a general tax, requiring a majority vote (approval by more than fifty percent (50%) of City voters voting in the election) for passage.

A one-half cent transaction and use tax, as proposed, would generate approximately \$2.4 million in annual revenue to the City, which would be dedicated to local purposes and could not be taken by the State or the County. It would be applicable to the same goods that are currently subject to sales and use tax, with certain items exempt from the tax, e.g. most groceries, prescription medicines, certain medical devices, and sales of items paid for with food stamps.

Should the City Council decide to place the transactions and use tax measure on the ballot, the City Council should also decide whether to authorize City Council members to author written ballot arguments supporting the measure and rebuttal arguments. The Elections Code requires that the City allow written direct arguments to be submitted for and against any ballot measure, and the City Council has the option of adopting a resolution to allow rebuttal arguments for City measures. The Council must also direct the City Attorney to prepare an impartial analysis.

The proposed resolutions must be adopted by a 2/3 vote of all members of the City Council pursuant to Revenue and Taxation Code § 7285.9 and Government Code § 53724, which means that it requires four votes for passage.

Should the City Council adopt the Resolution in order to place the transaction tax measure on the November 4, 2014 ballot, staff will work closely with the City Clerk and City Attorney to submit all of the required documentation to the County Registrar of Voters. The City Attorney will also draft the impartial analysis of the measure for submittal. Below is a schedule of other key dates related to a November 2014 election:

- Friday, August 1, 2014 – City's deadline to receive Direct Arguments
- Saturday, August 2, 2014 – City to submit received Direct Arguments to the Orange County Registrar of Voters
- Monday, August 11, 2014 – City's deadline to receive Rebuttal Arguments (if any)
- Tuesday, August 12, 2014 – Orange County Registrar of Voters deadline to receive Rebuttal Arguments (if any)

Finally should the City Council proceed with the placement of a measure on the November ballot, it will be important for voters to receive accurate information in order to make an informed decision. To that end, Staff is recommending that a communications firm specializing in public information and communications services be retained to assist the City in creating a strategic educational program. This program will consist of several elements including:

- Develop a factual, neutral message platform that defines the ballot measure for voters;
- Develop a plan and program to inform and educate voters on why the measure is on the ballot, what a "yes vote" means and what a "no vote" means;
- Assist in the development of useful public communications tools, including factual talking points/FAQs/web content, and fact sheets;
- Coordinate the preparation, production and distribution of 2-3 public information mailers with essential information to accurately and factually frame the issue, communicate why the City put the sales tax issue before voters, and common questions and answers, to facilitate an informed electorate.

The estimated cost for this type of educational program is \$40,000 to \$50,000. Staff will prepare a more detailed budget and present a proposal to the City Council in the near future.

FISCAL IMPACT:

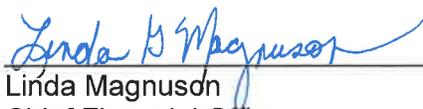
Since there is already scheduled Municipal Election this year, the City will not have to pay for the cost of a special election and will only be charged \$8,500 by the County Registrar to add a measure to the ballot. In addition to the direct costs to the County Registrar, the City will also have to pay for translation services (\$1,200), legal publication (\$2,000), election materials (\$200) and other costs totaling approximately \$3,600. Legal costs associated with preparing the ballot measure, impartial analysis, and other required documentation are not included and will have to be added to this figure once those costs are determined.

Prepared and submitted by:

Reviewed and approved:



Stephen D. Pischel
Director of Administrative Services



Linda Magnuson
Chief Financial Officer

Reviewed and approved:

Reviewed and approved:



Damien R. Arrula
Assistant City Administrator



Troy L. Butzlaff, ICMA-CM
City Administrator

Attachments:

1. Proposed Transactions and Use Tax Ordinance
2. Proposed Resolution Calling and Giving Notice for Election for Proposed Measure
3. Proposed Resolution Requesting the Board of Supervisors to Consolidate Municipal Election with Statewide Election
4. Proposed Resolution Setting Priorities for Filing Written Arguments Regarding a City Measure
5. Proposed Resolution Providing for the Filing of Rebuttal Arguments Regarding the Proposed Measure

ORDINANCE NO.0-2014-

AN ORDINANCE OF THE PEOPLE OF THE CITY OF
PLACENTIA, CALIFORNIA, ADDING A NEW CHAPTER
3.32 TO THE PLACENTIA MUNICIPAL CODE
REGARDING A TRANSACTIONS AND USE TAX

A. Recitals.

(i). The City Council of the City of Placentia desires to protect vital community services including police, fire and 9-1-1 emergency response, as well as provide for neighborhood street paving and sidewalk/pothole repair to improve traffic flow, expanded youth recreation, after-school and anti-gang prevention programs, improved public facilities, senior services, code enforcement, and other general City services.

(ii). The City is experiencing an existing and immediate funding crisis, which is the result of factors largely outside of its control, including national economic trends, rapid increases in the cost of employee retirement and health insurance benefits, decreases in revenue from existing taxes and fees, the elimination of redevelopment and unpredictable State takeaways of local revenue.

(iii). Expenditures now surpass revenues forcing the City to take significant steps to reduce its operational costs. It has reduced full-time staffing by 25%, reduced employee benefits including capping medical contributions and requiring all employees to pay towards their retirement benefit and contracted out various services such as landscape maintenance and street sweeping to reduce costs.

(iv). Despite those cost reductions and other budget cuts that have been made, the City continues to operate with a structural budget deficit and has used its available General Fund balance to bridge this deficit, meaning it has used all available financial resources and will have none available to maintain existing services.

(v). The City Council has been presented evidence from an independent consulting firm that the City's structural budget deficit will continue to grow each year ultimately reaching \$5 Million by fiscal year 2017-18.

(vi). Without additional revenue the City Council may have no choice but to implement significant reductions in City

services, facilities and programs including the potential closure of certain facilities, elimination of programs and the contracting out of various City department such as Police and Public Works.

(vii). After careful study of the financial challenges facing the City, and after extensive efforts to gauge the public's opinions and priorities, the City Council has determined that the most prudent, reasonable and financially sound action it can take to protect vital services and facilities and to achieve fiscal sustainability, is to place before the voters a ballot measure to increase the local transaction and use tax by one-half of one percent (0.5%).

**THE PEOPLE OF THE CITY OF PLACENTIA, CALIFORNIA DO ORDAIN
AS FOLLOWS:**

Section 1. A new Chapter 3.32 hereby is added to Title 3 of the Placentia Municipal Code to read, in words and figures, as follows:

"Chapter 3.32 Placentia Transactions and Use Tax

- "3.32.010. Short title.
- "3.32.020. Transactions Tax Rate.
- "3.32.030. Operative date.
- "3.32.040. Purpose.
- "3.32.050. Contract with state.
- "3.32.060. Place of Sale.
- "3.32.070. Use tax imposed.
- "3.32.080. Adoption of provisions of state law.
- "3.32.090. Limitations on adoption of state law.
- "3.32.100. Permit not required.
- "3.32.110. Exclusions and exemptions.
- "3.32.120. Amendments.
- "3.32.130. Enjoining collection forbidden.
- "3.32.140. City Council Authorized to Reduce or Repeal.

"3.32.010. Short title.

"This Chapter shall be known as the City of Placentia Transactions and Use Tax Ordinance. The City of Placentia hereinafter shall be referred to as the "City." This ordinance shall be applicable in the incorporated territory of the City.

"3.32.020. Transactions Tax Rate.

"For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated territory of the City at the rate of 0.5% (one-half of one percent) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this ordinance.

"3.32.030. Operative date.

"'Operative Date' means the first day of the first calendar quarter commencing more than 110 days after the adoption of this ordinance, the date of such adoption being as set forth below.

"3.32.040. Purpose.

"This chapter is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

"A. To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with § 7251) of Division 2 of the California Revenue and Taxation Code and § 7285.9 of Part 1.7 of Division 2 which authorizes the City to adopt this tax ordinance which shall be operative if a majority of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose.

"B. To adopt a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

"C. To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefore that can be administered and collected by the State Board of Equalization in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the State Board of Equalization in administering and collecting the California State Sales and Use Taxes.

"D. To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this ordinance.

"3.32.050. Contract with state.

"Prior to the operative date, the City shall contract with the State Board of Equalization to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the City shall not have contracted with the State Board of Equalization prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

"3.32.060. Place of Sale.

"For the purposes of this chapter, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the State Board of Equalization.

"3.32.070. Use tax imposed.

"An excise tax is hereby imposed on the storage, use or other consumption in the City of tangible personal property purchased from any retailer on and after the operative date of this ordinance for storage, use or other consumption in said territory at the rate of 0.5% (one-half of one percent) of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

"3.32.080. Adoption of provisions of state law.

"Except as otherwise provided in this chapter and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the California Revenue and Taxation Code, all of the provisions of Part 1 (commencing with § 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this ordinance as though fully set forth herein.

"3.32.090. Limitations on adoption of state law.

"In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

"A. Wherever the State of California is named or referred to as the taxing agency, the name of this City shall be substituted therefor. However, the substitution shall not be made when:

"1. The word 'State' is used as a part of the title of the State Controller, State Treasurer, State Board of Control, State Board of Equalization, State Treasury, or the Constitution of the State of California;

"2. The result of that substitution would require action to be taken by or against this City or any agency, officer, or employee thereof rather than by or against the State Board of Equalization, in performing the functions incident to the administration or operation of this Ordinance.

"3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:

"a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;

"b. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provision of that code.

"4. In §§ 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.

"B. The word "City" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in § 6203 and in the definition of that phrase in § 6203.

"3.32.100. Permit not required.

"If a seller's permit has been issued to a retailer under § 6067 of the California Revenue and Taxation Code, an additional transactor's permit shall not be required by this chapter.

"3.32.110. Exclusions and exemptions.

"A. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

"B. There are exempted from the computation of the amount of transactions tax the gross receipts from:

"1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the county in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.

"2. Sales of property to be used outside the City which is shipped to a point outside the City, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the City shall be satisfied:

"a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with § 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with § 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with § 9840) of the Vehicle Code by

registration to an out-of-City address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and

"b. With respect to commercial vehicles, by registration to a place of business out-of-City and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

"3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

"4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this ordinance.

"5. For the purposes of subparagraphs 3 and 4 of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

"C. There are exempted from the use tax imposed by this ordinance, the storage, use or other consumption in this City of tangible personal property:

"1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.

"2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in §§ 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.

"3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

"4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this ordinance.

"5. For the purposes of subparagraphs 3 and 4 of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

"6. Except as provided in subparagraph 7, a retailer engaged in business in the City shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the City or participates within the City in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the City or through any representative, agent, canvasser, solicitor, subsidiary, or person in the City under the authority of the retailer.

"7. 'A retailer engaged in business in the City' shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with § 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with § 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with § 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the City.

"D. Any person subject to use tax under this ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the

person of the property the storage, use or other consumption of which is subject to the use tax.

"3.32.120. Amendments.

"All amendments subsequent to the effective date of this ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this ordinance.

"3.32.130. Enjoining collection forbidden.

"No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the City, or against any officer of the State or the City, to prevent or enjoin the collection under this ordinance, or Part 1.6 of Division 2 of the California Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

"3.32.140. City Council Authorized to Reduce or Repeal.

"Notwithstanding any other term or provision set forth in this chapter, the City Council of the City of Placentia hereby is authorized, after conducting and concluding a duly noticed public hearing thereon, to reduce the tax rate set forth herein or to repeal, in its entirety, the provisions of this chapter."

Section 2. Penalty for Violation.

It shall be unlawful for any person, firm, partnership or corporation to violate any provision or to fail to comply with any of the requirements of this Ordinance hereby adopted. Any person, firm, partnership or corporation violating any provision of this Ordinance or failing to comply with any of its requirements shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished by a fine not exceeding One Thousand Dollars (\$1,000.00), or by imprisonment not exceeding six (6) months, or by both such fine and imprisonment. Each and every person, firm, partnership, or corporation shall be deemed guilty of a separate offense for each and every day or any portion thereof during which any violation of any of the

provisions of this Ordinance is committed, continued or permitted by such person, firm, partnership or corporation, and shall be deemed punishable therefor as provided in this Ordinance.

Section 3. Civil Remedies Available.

The violation of any of the provisions of this Ordinance hereby adopted shall constitute a nuisance and may be abated by the City through civil process by means of restraining order, preliminary or permanent injunction or in any other manner provided by law for the abatement of such nuisances.

Section 4. Severability.

The People of the City of Placentia declare that, should any provision, section, paragraph, sentence or word of this Ordinance be rendered or declared invalid by any final court action in a court of competent jurisdiction, or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences and words of this Ordinance shall remain in full force and effect.

Section 5. Effective Date.

This ordinance relates to the levying and collecting of the City transactions and use taxes and shall take effect immediately.

IT IS HEREBY CERTIFIED that the foregoing Ordinance was approved by the following vote of the People of the City of Placentia on November 4, 2014:

I, PATRICK J. MELIA, City Clerk of the City of Placentia, do hereby certify that the foregoing Ordinance was adopted at a general election held on the 4th day of November, 2014, by the following vote:

YES:

NO:

ATTEST:

Patrick J. Melia
City Clerk

APPROVED AS TO FORM:

Andrew V. Arczynski
City Attorney

RESOLUTION NO.R-2014-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA, ORDERING THE SUBMISSION TO THE QUALIFIED ELECTORS OF THE CITY OF A CERTAIN MEASURE RELATING TO A TRANSACTIONS AND USE TAX AT THE GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 4, 2014, AS CALLED BY RESOLUTION NO. R-2014-34.

A. Recitals.

(i). A General Municipal election on Tuesday, November 4, 2014 has been called by Resolution No. R-2014-34 adopted on June 17, 2014.

(ii). The City Council also desires to submit to the voters at said General Municipal Election a question adding Chapter 3.32 to the Placentia Municipal Code relating to a Transactions and Use Tax.

(iii). All legal prerequisites to the adoption of this Resolution have occurred.

B. Resolution.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA DOES HEREBY FIND, DETERMINE AND RESOLVE AS FOLLOWS:

1. In all respects as set forth in the Recitals, Part A., of this Resolution.

2. The City Council, pursuant to its right and authority, does order submitted to the voters at the General Municipal Election the following question:

<p>To prevent further cuts and ensure adequate funding for essential city services, including: Placentia police, fire, 911 emergency medical response, gang/drug prevention; neighborhood street repair; fixing potholes and maintaining sidewalks; senior and youth programs; maintaining quality parks/city landscaping; and other City services; shall the City of Placentia enact a half-cent transaction tax with City Council oversight, mandatory annual audits, no funds for Sacramento and all money dedicated to maintaining Placentia city services?</p>	YES
	NO

3. The proposed measure to be submitted to the voters is attached hereto as Exhibit "A."

4. In all particulars not recited in this Resolution, the election shall be held and conducted as provided by law for the holding of municipal elections.

5. Notice of the time and place of holding the election is given and the City Clerk is authorized, instructed and directed to give further or additional notice of the election, at the time, and in the form and manner required by law.

6. The City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED, ADOPTED AND APPROVED this 22nd day of July, 2014.

SCOTT W. NELSON,
MAYOR

ATTEST:

PATRICK J. MELIA,
CITY CLERK

APPROVED AS TO FORM:

ANDREW V. ARCZYNSKI,
CITY ATTORNEY

I, PATRICK J. MELIA, CITY CLERK of the CITY OF PLACENTIA, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution, being Resolution No. R-2014- was duly passed, approved and adopted by the City Council at the regular adjourned meeting of the said City Council held on the 22nd day of July, 2014, and that the same was passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

PATRICK J. MELIA,
CITY CLERK

ORDINANCE NO. 0-2014-

AN ORDINANCE OF THE PEOPLE OF THE CITY OF
PLACENTIA, CALIFORNIA, ADDING A NEW CHAPTER
3.32 TO THE PLACENTIA MUNICIPAL CODE
REGARDING A TRANSACTIONS AND USE TAX

A. Recitals.

(i). The City Council of the City of Placentia desires to protect vital community services including police, fire and 9-1-1 emergency response, as well as provide for neighborhood street paving and sidewalk/pothole repair to improve traffic flow, expanded youth recreation, after-school and anti-gang prevention programs, improved public facilities, senior services, code enforcement, and other general City services.

(ii). The City is experiencing an existing and immediate funding crisis, which is the result of factors largely outside of its control, including national economic trends, rapid increases in the cost of employee retirement and health insurance benefits, decreases in revenue from existing taxes and fees, the elimination of redevelopment and unpredictable State takeaways of local revenue.

(iii). Expenditures now surpass revenues forcing the City to take significant steps to reduce its operational costs. It has reduced full-time staffing by 25%, reduced employee benefits including capping medical contributions and requiring all employees to pay towards their retirement benefit and contracted out various services such as landscape maintenance and street sweeping to reduce costs.

(iv). Despite those cost reductions and other budget cuts that have been made, the City continues to operate with a structural budget deficit and has used its available General Fund balance to bridge this deficit, meaning it has used all available financial resources and will have none available to maintain existing services.

(v). The City Council has been presented evidence from an independent consulting firm that the City's structural budget deficit will continue to grow each year ultimately reaching \$5 Million by fiscal year 2017-18.

(vi). Without additional revenue the City Council may have no choice but to implement significant reductions in City

services, facilities and programs including the potential closure of certain facilities, elimination of programs and the contracting out of various City department such as Police and Public Works.

(vii). After careful study of the financial challenges facing the City, and after extensive efforts to gauge the public's opinions and priorities, the City Council has determined that the most prudent, reasonable and financially sound action it can take to protect vital services and facilities and to achieve fiscal sustainability, is to place before the voters a ballot measure to increase the local transaction and use tax by one-half of one percent (0.5%).

**THE PEOPLE OF THE CITY OF PLACENTIA, CALIFORNIA DO ORDAIN
AS FOLLOWS:**

Section 1. A new Chapter 3.32 hereby is added to Title 3 of the Placentia Municipal Code to read, in words and figures, as follows:

"Chapter 3.32 Placentia Transactions and Use Tax

- "3.32.010. Short title.
 - "3.32.020. Transactions Tax Rate.
 - "3.32.030. Operative date.
 - "3.32.040. Purpose.
 - "3.32.050. Contract with state.
 - "3.32.060. Place of Sale.
 - "3.32.070. Use tax imposed.
 - "3.32.080. Adoption of provisions of state law.
 - "3.32.090. Limitations on adoption of state law.
 - "3.32.100. Permit not required.
 - "3.32.110. Exclusions and exemptions.
 - "3.32.120. Amendments.
 - "3.32.130. Enjoining collection forbidden.
 - "3.32.140. City Council Authorized to Reduce or Repeal.
- "3.32.010. Short title.

"This Chapter shall be known as the City of Placentia Transactions and Use Tax Ordinance. The City of Placentia hereinafter shall be referred to as the "City." This ordinance shall be applicable in the incorporated territory of the City.

"3.32.020. Transactions Tax Rate.

"For the privilege of selling tangible personal property at retail, a tax is hereby imposed upon all retailers in the incorporated territory of the City at the rate of 0.5% (one-half of one percent) of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory on and after the operative date of this ordinance.

"3.32.030. Operative date.

"'Operative Date' means the first day of the first calendar quarter commencing more than 110 days after the adoption of this ordinance, the date of such adoption being as set forth below.

"3.32.040. Purpose.

"This chapter is adopted to achieve the following, among other purposes, and directs that the provisions hereof be interpreted in order to accomplish those purposes:

"A. To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with § 7251) of Division 2 of the California Revenue and Taxation Code and § 7285.9 of Part 1.7 of Division 2 which authorizes the City to adopt this tax ordinance which shall be operative if a majority of the electors voting on the measure vote to approve the imposition of the tax at an election called for that purpose.

"B. To adopt a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

"C. To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefore that can be administered and collected by the State Board of Equalization in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the State Board of Equalization in administering and collecting the California State Sales and Use Taxes.

"D. To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this ordinance.

"3.32.050. Contract with state.

"Prior to the operative date, the City shall contract with the State Board of Equalization to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the City shall not have contracted with the State Board of Equalization prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

"3.32.060. Place of Sale.

"For the purposes of this chapter, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the state sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the State Board of Equalization.

"3.32.070. Use tax imposed.

"An excise tax is hereby imposed on the storage, use or other consumption in the City of tangible personal property purchased from any retailer on and after the operative date of this ordinance for storage, use or other consumption in said territory at the rate of 0.5% (one-half of one percent) of the sales price of the property. The sales price shall include delivery charges when such charges are subject to state sales or use tax regardless of the place to which delivery is made.

"3.32.080. Adoption of provisions of state law.

"Except as otherwise provided in this chapter and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the California Revenue and Taxation Code, all of the provisions of Part 1 (commencing with § 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this ordinance as though fully set forth herein.

"3.32.090. Limitations on adoption of state law.

"In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

"A. Wherever the State of California is named or referred to as the taxing agency, the name of this City shall be substituted therefor. However, the substitution shall not be made when:

"1. The word 'State' is used as a part of the title of the State Controller, State Treasurer, State Board of Control, State Board of Equalization, State Treasury, or the Constitution of the State of California;

"2. The result of that substitution would require action to be taken by or against this City or any agency, officer, or employee thereof rather than by or against the State Board of Equalization, in performing the functions incident to the administration or operation of this Ordinance.

"3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:

"a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;

"b. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the state under the said provision of that code.

"4. In §§ 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.

"B. The word "City" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in § 6203 and in the definition of that phrase in § 6203.

"3.32.100. Permit not required.

"If a seller's permit has been issued to a retailer under § 6067 of the California Revenue and Taxation Code, an additional transactor's permit shall not be required by this chapter.

"3.32.110. Exclusions and exemptions.

"A. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

"B. There are exempted from the computation of the amount of transactions tax the gross receipts from:

"1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the county in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.

"2. Sales of property to be used outside the City which is shipped to a point outside the City, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the City shall be satisfied:

"a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with § 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with § 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with § 9840) of the Vehicle Code by

registration to an out-of-City address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and

"b. With respect to commercial vehicles, by registration to a place of business out-of-City and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

"3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

"4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this ordinance.

"5. For the purposes of subparagraphs 3 and 4 of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

"C. There are exempted from the use tax imposed by this ordinance, the storage, use or other consumption in this City of tangible personal property:

"1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.

"2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in §§ 6366 and 6366.1 of the Revenue and Taxation Code of the State of California.

"3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

"4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this ordinance.

"5. For the purposes of subparagraphs 3 and 4 of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

"6. Except as provided in subparagraph 7, a retailer engaged in business in the City shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the City or participates within the City in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the City or through any representative, agent, canvasser, solicitor, subsidiary, or person in the City under the authority of the retailer.

"7. 'A retailer engaged in business in the City' shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with § 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with § 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with § 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the City.

"D. Any person subject to use tax under this ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to a district imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the

person of the property the storage, use or other consumption of which is subject to the use tax.

"3.32.120. Amendments.

"All amendments subsequent to the effective date of this ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this ordinance.

"3.32.130. Enjoining collection forbidden.

"No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the City, or against any officer of the State or the City, to prevent or enjoin the collection under this ordinance, or Part 1.6 of Division 2 of the California Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

"3.32.140. City Council Authorized to Reduce or Repeal.

"Notwithstanding any other term or provision set forth in this chapter, the City Council of the City of Placentia hereby is authorized, after conducting and concluding a duly noticed public hearing thereon, to reduce the tax rate set forth herein or to repeal, in its entirety, the provisions of this chapter."

Section 2. Penalty for Violation.

It shall be unlawful for any person, firm, partnership or corporation to violate any provision or to fail to comply with any of the requirements of this Ordinance hereby adopted. Any person, firm, partnership or corporation violating any provision of this Ordinance or failing to comply with any of its requirements shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished by a fine not exceeding One Thousand Dollars (\$1,000.00), or by imprisonment not exceeding six (6) months, or by both such fine and imprisonment. Each and every person, firm, partnership, or corporation shall be deemed guilty of a separate offense for each and every day or any portion thereof during which any violation of any of the

provisions of this Ordinance is committed, continued or permitted by such person, firm, partnership or corporation, and shall be deemed punishable therefor as provided in this Ordinance.

Section 3. Civil Remedies Available.

The violation of any of the provisions of this Ordinance hereby adopted shall constitute a nuisance and may be abated by the City through civil process by means of restraining order, preliminary or permanent injunction or in any other manner provided by law for the abatement of such nuisances.

Section 4. Severability.

The People of the City of Placentia declare that, should any provision, section, paragraph, sentence or word of this Ordinance be rendered or declared invalid by any final court action in a court of competent jurisdiction, or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences and words of this Ordinance shall remain in full force and effect.

Section 5. Effective Date.

This ordinance relates to the levying and collecting of the City transactions and use taxes and shall take effect immediately.

IT IS HEREBY CERTIFIED that the foregoing Ordinance was approved by the following vote of the People of the City of Placentia on November 4, 2014:

I, PATRICK J. MELIA, City Clerk of the City of Placentia, do hereby certify that the foregoing Ordinance was adopted at a general election held on the 4th day of November, 2014, by the following vote:

YES:

NO:

ATTEST:

Patrick J. Melia
City Clerk

APPROVED AS TO FORM:

Andrew V. Arczynski
City Attorney

RESOLUTION NO.R-2014-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA, REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF ORANGE TO CONSOLIDATE A GENERAL MUNICIPAL ELECTION TO BE HELD ON NOVEMBER 4, 2014, WITH THE STATEWIDE GENERAL ELECTION, TO BE HELD ON THE DATE PURSUANT TO § 10403 OF THE CALIFORNIA ELECTIONS CODE.

A. Recitals.

(i). The City Council of the City of Placentia has called a General Municipal Election to be held on November, 4, 2014, for the purpose of the election of two (2) Members of the City Council and a City Clerk.

(ii). The City Council is submitting to the electorate a question relating to a Transactions and Use Tax.

(iii). It is desirable that the General Municipal Election be consolidated with the Statewide General Election to be held on the same date and that within the City the precincts, polling places and election officers of the two (2) elections be the same, and that the county election department of the County of Orange canvass the returns of the General Municipal Election and that the election be held in all respects as if there were only one (1) election.

B. Resolution.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PLACENTIA DOES HEREBY FIND, DETERMINE AND RESOLVE AS FOLLOWS:

1. In all respects as set forth in the Recitals, Part A., of this Resolution.

2. Pursuant to the provisions of § 10403 of the California Elections Code, the Board of Supervisors of the County of Orange is hereby requested to consent and agree to the consolidation of a General Municipal Election with the Statewide General Election on Tuesday, November 4, 2014, for the purpose of the election of two (2) Members of

the City Council and a City Clerk.

3. The following measure is to appear on the ballot:

To prevent further cuts and ensure adequate funding for essential city services, including: Placentia police, fire, 911 emergency medical response, gang/drug prevention; neighborhood street repair; fixing potholes and maintaining sidewalks; senior and youth programs; maintaining quality parks/city landscaping; and other City services; shall the City of Placentia enact a half-cent transaction tax with City Council oversight, mandatory annual audits, no funds for Sacramento and all money dedicated to maintaining Placentia city services?	YES
	NO

4. The Orange County Election Department is authorized to canvass the returns of the General Municipal Election. The election shall be held in all respects as if there were only one (1) election, and only one (1) form of ballot shall be used.

5. The Board of Supervisors of the County of Orange hereby is requested to issue instructions to the Orange County Election Department to take any and all steps necessary for the holding of the consolidated election.

6. The City of Placentia recognizes that additional costs will be incurred by the County of Orange by reason of this consolidation and agrees to reimburse the County for any costs therefor.

7. The City Clerk hereby is hereby directed to file a certified copy of this Resolution with the Board of Supervisors and the Orange County Election Department.

8. The City Clerk shall certify to the passage and adoption of this resolution.

PASSED, ADOPTED AND APPROVED this 22nd day of July,
2014.

SCOTT W. NELSON,
MAYOR

ATTEST:

PATRICK J. MELIA,
CITY CLERK

APPROVED AS TO FORM:

ANDREW V. ARCZYNSKI,
CITY ATTORNEY

I, PATRICK J. MELIA, CITY CLERK of the CITY OF
PLACENTIA, CALIFORNIA, DO HEREBY CERTIFY that the foregoing
Resolution was duly passed, adopted and approved by the
City Council of the City of Placentia at the regular
meeting of the said City Council held on the 22nd day of
July, 2014 and that the same was passed and adopted by the
following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

PATRICK J. MELIA,
CITY CLERK

RESOLUTION NO.R-2014-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA, SETTING PRIORITIES FOR FILING WRITTEN ARGUMENTS REGARDING A CITY MEASURE AND DIRECTING THE CITY ATTORNEY TO PREPARE AN IMPARTIAL ANALYSIS.

A. Recitals.

(i). A General Municipal Election is to be held in the City of Placentia, California, on Tuesday, November 4, 2014, at which there will be submitted to the voters the following measure:

To prevent further cuts and ensure adequate funding for essential city services, including: Placentia police, fire, 911 emergency medical response, gang/drug prevention; neighborhood street repair; fixing potholes and maintaining sidewalks; senior and youth programs; maintaining quality parks/city landscaping; and other City services; shall the City of Placentia enact a half-cent transaction tax with City Council oversight, mandatory annual audits, no funds for Sacramento and all money dedicated to maintaining Placentia city services?	YES
	NO

B. Resolution.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA, DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

1. The City Council authorizes Members of the City Council Members of that body, to file (a) written argument(s) in favor of said measure, not exceeding 300 words regarding the City measure as specified above, accompanied by the printed name(s) and signature(s) of the author(s) submitting it, in accordance with Article 4, Chapter 3, Division 9 of the Elections Code of the State of California. The argument(s) may be changed or withdrawn until and including the date fixed by the City Clerk after which no arguments for or against the

City measure may be submitted to the City Clerk. The date fixed by the City Clerk is Friday, August 1, 2014, 5:00 p.m.

The arguments shall be filed with the City Clerk, signed, with the printed names and signatures of the authors submitting it, or if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal officers who is the author of the argument. The arguments shall be accompanied by the Form of Statement To Be Filed By Author(s) of Argument which is available in the City Clerk's Office during regular business hours.

2. The City Council directs the City Clerk to transmit a copy of the measure to the City Attorney. The City Attorney shall prepare an impartial analysis of the measure not exceeding 500 words showing the effect of the measure on the existing law and the operation of the measure. The measure does not affect the organization or salaries of the office of the City Attorney. The impartial analysis shall be filed by the date set by the City Clerk for the filing of primary arguments.

3. The City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original resolutions.

PASSED and ADOPTED this 22nd day of July, 2014.

SCOTT W. NELSON,
MAYOR

ATTEST:

PATRICK J. MELIA,
CITY CLERK

APPROVED AS TO FORM:

ANDREW V. ARCZYNSKI,
CITY ATTORNEY

STATE OF CALIFORNIA

I, PATRICK J. MELIA, CITY CLERK of the CITY OF PLACENTIA, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution, being Resolution No. R-2014-xx was duly passed, approved and adopted by the City Council at the regular meeting of the said City Council held on the 22nd day of July, 2014, and that the same was passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

PATRICK J. MELIA,
CITY CLERK

RESOLUTION NO. R-2014-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PLACENTIA, CALIFORNIA, PROVIDING FOR THE FILING OF REBUTTAL ARGUMENTS PERTAINING TO A CERTAIN MEASURE RELATING TO A TRANSACTIONS AND USE TAX AT THE GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 4, 2014, AS CALLED BY RESOLUTION NO. R-2014-34.

A. Recitals.

(i). A General Municipal election on Tuesday, November 4, 2014 has been called by Resolution No. R-2014-34 adopted on June 17, 2014.

(ii). The City Council has determined it advisable to submit to the voters at said General Municipal Election a question adding Chapter 3.32 to the Placentia Municipal Code relating to a Transactions and Use Tax.

(iii). The California Elections Code, § 9285, authorizes the City Council, by majority vote, to adopt provisions to provide for the filing of rebuttal arguments for city measures submitted at municipal elections.

(iv). All legal prerequisites to the adoption of this Resolution have occurred.

B. Resolution.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PLACENTIA DOES HEREBY FIND, DETERMINE AND RESOLVE AS FOLLOWS:

1. In all respects as set forth in the Recitals, Part A., of this Resolution.

2. Pursuant to § 9285 of the California Elections Code, when the elections official has selected the arguments for and against the measure which will be printed and distributed to the voters, the elections official shall send a copy of an argument in favor of the proposition to the authors of any argument against the measure and a copy of an argument against the measure to the authors of any argument in favor of the measure immediately upon receiving the arguments.

The author or a majority of the authors of an argument relating to a city measure may prepare and submit a rebuttal argument not exceeding 250 words or may authorize in writing any other person or persons to prepare, submit, or sign the rebuttal argument.

A rebuttal argument may not be signed by more than five authors.

The rebuttal arguments shall be filed with the City Clerk, signed, with the printed name(s) and signature(s) of the author(s) submitting it, or if submitted on behalf of an organization, the name of the organization, and the printed name and signature of at least one of its principal officers, not more than 10 days after the final date for filing direct arguments. The rebuttal arguments shall be accompanied by the Form of Statement To Be Filed By Author(s) of Argument (see Form F-A-1).

Rebuttal arguments shall be printed in the same manner as the direct arguments. Each rebuttal argument shall immediately follow the direct argument which it seeks to rebut.

2. All previous resolutions providing for the filing of rebuttal arguments for city measures are repealed.

3. The provisions of Section 1 shall apply only to the election to be held on November 4, 2014 and shall then be repealed.

4. The City Clerk shall certify to the passage and adoption of this Resolution and enter it into the book of original Resolutions.

PASSED, ADOPTED AND APPROVED this 22nd day of July, 2014.

SCOTT W. NELSON,
MAYOR

ATTEST:

PATRICK J. MELIA,
CITY CLERK

APPROVED AS TO FORM:

ANDREW V. ARCZYNSKI,
CITY ATTORNEY

I, PATRICK J. MELIA, CITY CLERK of the CITY OF PLACENTIA, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution, being Resolution No. R-2014- was duly passed, approved and adopted by the City Council at the regular adjourned meeting of the said City Council held on the 22nd day of July, 2014, and that the same was passed and adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

PATRICK J. MELIA,
CITY CLERK