

RESOLUTION NO. 2022-65

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF  
ESCONDIDO, ACTING AS THE LEGISLATIVE BODY OF  
COMMUNITY FACILITIES DISTRICT NO. 2020-1 OF THE  
CITY OF ESCONDIDO (SERVICES), ANNEXING TERRITORY  
TO COMMUNITY FACILITIES DISTRICT NO. 2020-1 OF  
THE CITY OF ESCONDIDO (SERVICES)

WHEREAS, on April 8, 2020, the City Council (the “City Council”) of the City of Escondido adopted Resolution No. 2020-24 (the “Resolution of Intention”), declaring its intention to establish Community Facilities District No. 2020-1 of the City of Escondido (Services) (“Community Facilities District No. 2020-1” or the “District”) pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (the “Act”); and

WHEREAS, pursuant to Section 53339.3 of the Act, the Resolution of Intention included a description of the future annexation area of the District (the “Future Annexation Area”), wherein property owners may be annexed into the District only with the unanimous approval of the owner or owners of each parcel or parcels at the time that parcel or those parcels are annexed into the District; and

WHEREAS, the Resolution of Intention described (i) the services that may be provided by the District; (ii) the levy of special taxes pursuant to the rate and method of apportionment of the special tax, as set forth in Exhibit “C” attached to the Resolution of Intention (the “Rate and Method”); and (iii) the Future Annexation Area; and

WHEREAS, on May 13, 2020, after a duly noticed public hearing, the City Council adopted Resolution No. 2020-44 (the “Resolution of Formation”) establishing Community Facilities District No. 2020-1 and calling a special election therein to authorize (i) the levy of special taxes pursuant to the Rate

and Method, and (ii) the establishment of an appropriations limit for Community Facilities District No. 2020-1; and

WHEREAS, pursuant to a Unanimous Approval executed by Steven L. Salas on behalf of MFG GAMBLE LANE, LLC, a California limited liability company, (“Owner 1”), dated April 19, 2022, attached hereto as Exhibit “A” (the “Owner 1 Unanimous Approval”), Owner 1 stated its intention to annex the territory described in Exhibit “B” and Exhibit “D” to the Owner 1 Unanimous Approval to the District (the “Owner 1 Annexation Territory”) with no further hearings or procedures required with respect to such annexation to the District; and

WHEREAS, pursuant to a Unanimous Approval executed by Robert Sadler, (“Owner 2”), dated July 21, 2021, attached hereto as Exhibit “A” (the “Owner 2 Unanimous Approval”), Owner 2 stated its intention to annex the territory described in Exhibit “B” and Exhibit “D” to the Owner 2 Unanimous Approval to the District (the “Owner 2 Annexation Territory”) with no further hearings or procedures required with respect to such annexation to the District; and

WHEREAS, pursuant to a Unanimous Approval executed by Mark Marquez on behalf of MARCOR VENTURES, INC, a California corporation, (“Owner 3”), dated September 29, 2021, attached hereto as Exhibit “A” (the “Owner 3 Unanimous Approval”), Owner 3 stated its intention to annex the territory described in Exhibit “B” and Exhibit “D” to the Owner 3 Unanimous Approval to the District (the “Owner 3 Annexation Territory”) with no further hearings or procedures required with respect to such annexation to the District; and

WHEREAS, pursuant to a Unanimous Approval executed by Scot Sandstrom on behalf of NEW POINTE INVESTMENT 51, LLC, a California limited liability company, (“Owner 4”), dated May 4, 2022, attached hereto as Exhibit “A” (the “Owner 4 Unanimous Approval”), Owner 4 stated its intention to annex the territory described in Exhibit “B” and Exhibit “D” to the Owner 4 Unanimous Approval to the

District (the “Owner 4 Annexation Territory”) with no further hearings or procedures required with respect to such annexation to the District; and

WHEREAS, pursuant to a Unanimous Approval executed by Stan Stark, (“Owner 5”), dated May 5, 2022 on behalf of Stan Stark and Kimberly Stark, attached hereto as Exhibit “A” (the “Owner 5 Unanimous Approval”), Owner 5 stated its intention to annex the territory described in Exhibit “B” and Exhibit “D” to the Owner 6 Unanimous Approval to the District (the “Owner 5 Annexation Territory”) with no further hearings or procedures required with respect to such annexation to the District; and

WHEREAS, pursuant to a Unanimous Approval executed by Ryan Nestman on behalf of GASSER NESTMAN PROPERTIES, LLC, a limited liability company, (“Owner 6”), dated January 4, 2022, attached hereto as Exhibit “A” (the “Owner 6 Unanimous Approval”), Owner 6 stated its intention to annex the territory described in Exhibit “B” and Exhibit “D” to the Owner 6 Unanimous Approval to the District (the “Owner 6 Annexation Territory”) with no further hearings or procedures required with respect to such annexation to the District; and

WHEREAS, pursuant to a Unanimous Approval executed by Susana Velasco, (“Owner 7”), dated February 17, 2022, attached hereto as Exhibit “A” (the “Owner 7 Unanimous Approval”), Owner 7 stated its intention to annex the territory described in Exhibit “B” and Exhibit “D” to the Owner 7 Unanimous Approval to the District (the “Owner 7 Annexation Territory”) with no further hearings or procedures required with respect to such annexation to the District; and

WHEREAS, pursuant to a Unanimous Approval executed by John Martin and Fred Talarico on behalf of NUTMEG 134, LLC, a Delaware limited liability company, (“Owner 8”), dated May 3, 2022, attached hereto as Exhibit “A” (the “Owner 8 Unanimous Approval”), Owner 8 stated its intention to annex the territory described in Exhibit “B” and Exhibit “D” to the Owner 8 Unanimous Approval to the

District (the “Owner 8 Annexation Territory”) with no further hearings or procedures required with respect to such annexation to the District; and

WHEREAS, the Annexation Territory is within the Future Annexation Area of the District; and

WHEREAS, on the basis of all of the foregoing, the City Council has determined at this time to proceed with the annexation of the Annexation Territory to the District;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Escondido, California, as follows:

1. That the above recitations are true.
2. That the City Council hereby finds and determines that all prior proceedings taken with respect to the establishment of the District and the proposed annexation of the Annexation Territory to the District were valid and in conformity with the requirements of law, including the Act, and the annexation of the Annexation Territory to the District in accordance with the Unanimous Approval is hereby approved.
3. That the map showing the original boundaries of the District designated as “Boundary Map of Community Facilities District No. 2020-1 (Services) City of Escondido, County of San Diego, State of California”, which map is on file in the office of the City Clerk and was recorded pursuant to Sections 3111 and 3113 of the Streets and Highways Code in the County Book of Maps of Assessment and Community Facilities Districts in the Assessor-County Clerk-Recorder’s office of the County of San Diego in Book No. 48 Page Nos. 79-80 on April 13, 2020, as Instrument No. 2020-7000088.
4. That the City Council hereby authorizes a map showing the Annexation Territory to be annexed to the District and be made subject to taxation in the form attached hereto as Exhibit “B” be recorded pursuant to Sections 3111 and 3113 of the Streets and Highways Code in the County Book of

Maps of Assessment and Community Facilities Districts in the Assessor-County Clerk-Recorder's office of the County of San Diego.

5. That the City Council hereby adopts the Rate and Method attached as Exhibit "C" to the Resolution of Intention as the applicable rate and method for the Annexation Territory. Except where funds are otherwise available, it is the intention of the City Council to levy the proposed special taxes at the rates within the Annexation Territory set forth in the Rate and Method on all non-exempt property within the Annexation Territory sufficient to pay for (i) the Services (as defined in the Rate and Method), and (ii) Incidental Expenses (as defined in the Rate and Method). The District expects to incur, and in certain cases has already incurred, Incidental Expenses in connection with the annexation of the Annexation Territory to the District. The rate and method of apportionment of the special tax applicable to the Annexation Territory is described in detail in Exhibit "C" to the Resolution of Intention which is incorporated herein by this reference, and the City Council hereby finds that Exhibit "C" to the Resolution of Intention contains sufficient detail to allow each landowner within the Annexation Territory to estimate the maximum amount that may be levied against each parcel. The special tax is apportioned to each parcel on the foregoing bases pursuant to Section 53325.3 of the Act and such special tax is not on or based upon the ownership of real property.

6. That upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the Streets and Highways Code, a continuing lien to secure each levy of the special tax shall attach to all non-exempt real property in the Annexation Territory and this lien shall continue in force and effect until the levy of the special tax by the District ceases in accordance with the Rate and Method.

7. That consistent with Section 53325.6 of the Act, the City Council finds and determines that the land within the Annexation Territory, if any, devoted primarily to agricultural, timber or livestock uses and being used for the commercial production of agricultural timber or livestock products

is contiguous to other land within the Annexation Territory and will be benefited by the Services proposed to be provided within Community Facilities District No. 2020-1 and the Annexation Territory.

8. That it is hereby further determined that there is no ad valorem property tax currently being levied on property within the Annexation Territory for the exclusive purpose of paying for the same services as are proposed to be provided by Community Facilities District No. 2020-1.

9. This Resolution shall be effective upon its adoption.