

**Agenda Item
No.**

C-1

DATE SUBMITTED 10/10/2024
 SUBMITTED BY COMMUNITY DEVELOPMENT DIRECTOR
 DATE ACTION REQUIRED 11/06/2024

COUNCIL ACTION (X)
 PUBLIC HEARING ()
 REQUIRED RESOLUTION (X)
 ORDINANCE 1ST READING ()
 ORDINANCE 2ND READING ()
 CITY CLERK'S INITIALS ()

**IMPERIAL CITY COUNCIL
AGENDA ITEM**

SUBJECT: DISCUSSION/ACTION: INTENTION TO FORMATION OF COMMUNITY FACILITIES DISTRICT (CFD) NO. 2024-1 FOR THE MORNINGSTAR SUBDIVISION

- ADOPT RESOLUTION NO 2024-54. RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL WITH RESPECT TO FORMATION OF PROPOSED CITY OF IMPERIAL COMMUNITY FACILITIES DISTRICT NO. 2024-1 FOR THE MORNINGSTAR SUBDIVISION

DEPARTMENT INVOLVED: COMMUNITY DEVELOPMENT DEPARTMENT

BACKGROUND/SUMMARY:

The City received a petition from the developer of the Morningstar subdivision requesting the establishment of CFD No. 2024-1. The purpose of this CFD is to fund the ongoing maintenance of parks, parkways, recreational facilities, lighting, and open spaces within the Morningstar development area. These services are necessary to meet the increased demand due to new development within the proposed district boundaries.

The proposed CFD will levy special taxes on developed properties, including residential and non-residential land uses, to fund public services and facilities maintenance. The rate and method of apportionment for the special tax have been established to ensure fair and proportional taxation within the CFD. The maximum special tax rates for residential units are set at \$223 per unit and \$1,434 per acre for non-residential properties. A public hearing is scheduled for December 18, 2024, to provide an opportunity for stakeholders to voice their opinions or concerns. Notice of the hearing will be sent to all registered voters and landowners within the proposed CFD boundaries.

The establishment of CFD No. 2024-1 is crucial for the City to maintain and enhance public services within the Morningstar subdivision. The formation of the CFD aligns with the City's long-term vision of sustainable growth and service delivery.

FISCAL IMPACT: The special tax collected will cover the costs of maintaining the infrastructure and services within the CFD boundaries, including administrative costs associated with tax levy collection.

ADMIN SERVICES SIGN INITIALS VMS

STAFF RECOMMENDATION: Staff recommends to adopt Resolution 2024-54

DEPT. INITIALS DM

MANAGER'S RECOMMENDATION: approve

CITY MANAGER'S INITIALS DM

MOTION:

SECONDED: APPROVED () REJECTED ()
 AYES: DISAPPROVED () DEFERRED ()
 NAYES:
 ABSENT: REFERRED TO:

RESOLUTION NO. 2024-54

**RESOLUTION OF INTENTION OF THE CITY COUNCIL
OF THE CITY OF IMPERIAL WITH RESPECT TO
FORMATION OF PROPOSED CITY OF IMPERIAL
COMMUNITY FACILITIES DISTRICT NO. 2024-1 FOR
THE MORNINGSTAR SUBDIVISION**

WHEREAS, the City Council of the City of Imperial (the “City Council”) has received a written petition from the owner of certain real property within the City of Imperial (the “City”) requesting that the City Council initiate proceedings for the formation of a community facilities district pursuant to Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the California Government Code, commonly known as the “Mello-Roos Community Facilities Act of 1982,” (the “Act”) for the purpose of providing certain services which are necessary to meet increased demands placed upon the City as a result of the development of said real property, and agreeing to the annual levy of special taxes on said property sufficient to pay the costs of such services and costs incidental thereto.

WHEREAS, Section 53313 of the Act provides that a community facilities district may be established to finance certain types of services, including but not limited to (a) maintenance and lighting of parks, parkways, and open space; (b) maintenance of recreational facilities, (c) and any other services authorized to be financed pursuant to the Act.

WHEREAS, pursuant to Section 53320 of the California Government Code, the City Council is required upon receiving such a written petition to adopt a resolution of intention to establish a community facilities district.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Imperial as follows:

Section 1. Proposed District. A community facilities district is proposed to be established under the terms of Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the California Government Code, commonly known as the “Mello-Roos Community Facilities Act of 1982.” The name proposed for the community facilities district is “City of Imperial Community Facilities District No. 2024-01 Morningstar, County of Imperial, State of California.”

Section 2. Description and Map of Boundaries. The boundaries of the territory proposed for inclusion in the proposed community facilities district are described and shown on the map entitled “Proposed Boundaries of City of Imperial Community Facilities District No 2024-01

Morningstar, County of Imperial, State of California,” which is on file with the City Clerk. Said map is approved, and pursuant to Section 3110 of the California Streets and Highways Code, the City Clerk shall record the original of said map and file a copy with the County Recorder of the County of Imperial.

Section 3. Types of Services; Incidental Expenses. It is proposed that the community facilities district shall provide and finance:

- Maintenance and lighting of parks, parkways, and open space.
- Maintenance of recreational facilities.

Section 4. Special Taxes. Special taxes sufficient to pay the costs of the services provided for in Section 3 above and the annual administrative expenses of the City and the proposed community facilities district in determining, apportioning, levying, and collecting such special taxes, shall be annually levied within the proposed community facilities district. Pursuant to Section 53340 of the California Government Code, the special taxes shall be collected in the same manner as ordinary ad valorem property taxes are collected. The rate and method of apportionment of said special taxes shall be as set forth in Exhibit “A” attached here to and by this reference made a part hereof.

Section 5. Exempt Properties. Property owned by state, federal, and local government entities shall be exempt from the levy of special taxes of the proposed community facilities district.

Section 6. Necessity. The City Council finds that the services described in Section 3 hereof are necessary to meet increased demands placed upon the City as a result of development occurring within the boundaries of the proposed community facilities district.

Section 7. Hearing on Formation. A public hearing on the formation of the proposed community facilities district shall be held at 7:00 pm on December 18th at Council Chambers located at 220 West 9th Street, Imperial, CA 92251.

Section 8. Notice. The City Clerk shall publish a notice of the time and place of said hearing as required by Section 53322 of the California Government Code and shall also give notice of the time and place of said hearing by first-class mail to each registered voter and to each landowner within the proposed community facilities district as prescribed by Section 53322.4 of said Code.

Section 9. Report. The officers of the City responsible for providing the services to be financed by the proposed community facilities district, if established, are hereby directed to file a

report with the City Council containing a brief description of the services by type and an estimate of the cost of providing those services and the incidental expenses to be incurred.

Section 10. Annexation of Territory. Other property within the boundaries of the City may be annexed into the community facilities district upon the condition that parcels within that territory may be annexed only with the unanimous approval of the owner or owners of each parcel at the time of annexation.

Section 11. Description of Voting Procedures. The voting procedures for conducting the special election on the proposition with respect to the levy of special taxes on the land within the community facilities district shall follow the regulations specified by the California Government Code and California Elections Code, with adjustments for landowner or registered voter elections based on the number of registered voters within the proposed district.

The City Attorney is authorized to make minor typographical changes to this Resolution that does not change the substance of this Resolution;

PASSED AND ADOPTED by the City of Imperial City Council during a Regular Meeting this 6th day of November 2024.

ROBERT AMPARANO,
Mayor

ATTEST:

KRISTINA SHIELDS,
City Clerk

CERTIFICATION

I, Kristina Shields, City Clerk of the City of Imperial, California, hereby certify that the foregoing Resolution No. 2024-54 was duly adopted at a meeting of the City Council of said City at its meeting held on the 6th day of November, 2024, by the following vote, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Imperial, California, this 6th day of November, 2024.

KRISTINA SHIELDS,
City Clerk

**PROPOSED BOUNDARIES OF
CITY OF IMPERIAL
COMMUNITY FACILITIES DISTRICT NO. 2024-1
(MORNINGSTAR)**

COUNTY OF IMPERIAL
STATE OF CALIFORNIA

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF IMPERIAL THIS
DAY OF _____, 2024.

CITY CLERK
CITY OF IMPERIAL

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING THE PROPOSED
BOUNDARIES OF THE CITY OF IMPERIAL COMMUNITY FACILITIES DISTRICT
NO. 2024-1 (MORNINGSTAR), COUNTY OF IMPERIAL, STATE OF CALIFORNIA,
WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF IMPERIAL AT A
REGULAR MEETING THEREOF, HELD ON THE _____ DAY OF
_____, 2024, BY ITS RESOLUTION NO. _____

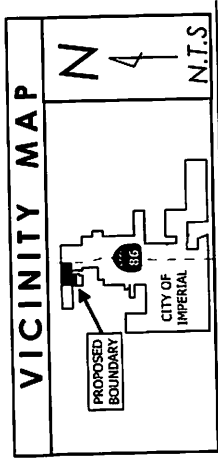
CITY CLERK
CITY OF IMPERIAL

FILED THIS _____ DAY OF _____, 2024, AT THE HOUR OF _____
O'CLOCK _____ M. IN THE BOOK _____ OF MAPS OF
ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS, PAGE _____
AND AS INSTRUMENT NO. _____ IN THE OFFICE OF THE
COUNTY RECORDER IN THE COUNTY OF IMPERIAL, STATE OF CALIFORNIA.

CHUCK STOREY
COUNTY CLERK-RECORDER
COUNTY OF IMPERIAL

THE LINES AND DIMENSIONS OF EACH LOT OR PARCEL SHOWN ON THIS
DIAGRAM SHALL BE THOSE LINES AND DIMENSIONS AS SHOWN ON THE
IMPERIAL COUNTY ASSESSOR'S MAPS FOR THOSE PARCELS LISTED.

THE IMPERIAL COUNTY ASSESSOR'S MAPS SHALL GOVERN FOR ALL THE
DETAILS CONCERNING THE LINES AND DIMENSIONS OF SUCH LOTS OF
PARCELS.

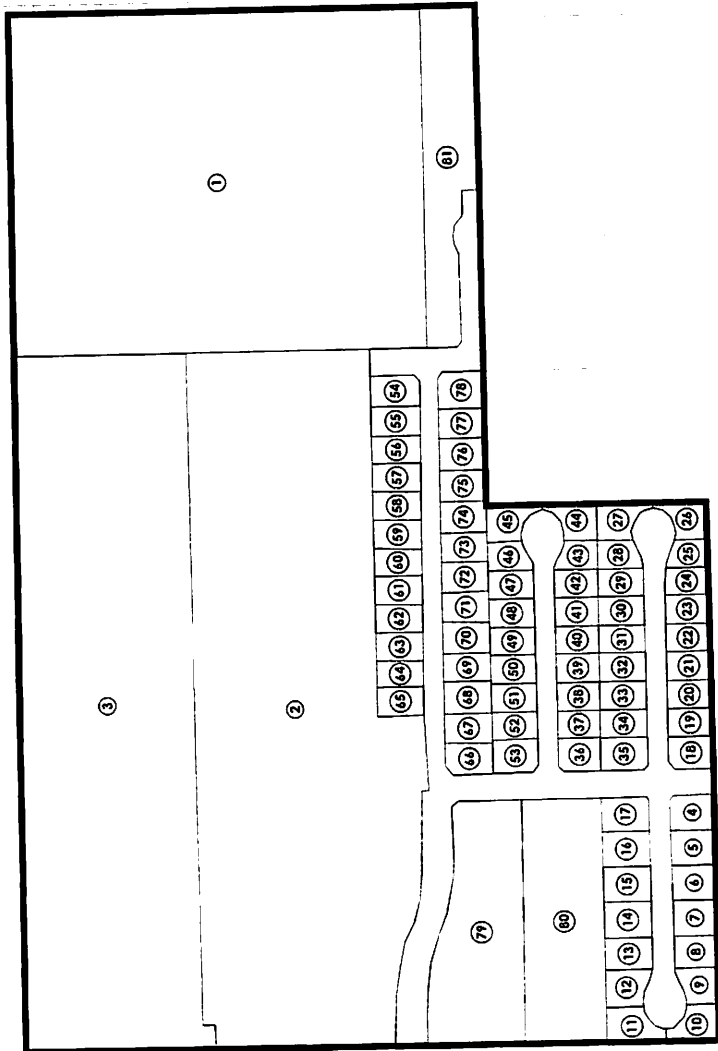


Legend

- PROPOSED BOUNDARY
- ① MAP NUMBER REFERENCE

PREPARED BY: 334 Via Vera Cruz
Suite 256
San Marcos, California 92078
Phone (760) 510-0960 Fax (760) 510-0286
DATE PREPARED: OCTOBER, 2024

**KOPPEL & GRUBER
PUBLIC FINANCE**



MAP REF. NO. ASSESSOR'S PARCEL NO.

69	063-313-074
70	063-313-075
71	063-313-076
72	063-313-077
73	063-313-078
74	063-313-079
75	063-313-080
76	063-313-081
77	063-313-082
78	063-313-083
79	Lot A-1
80	Lot A-2
81	Lot C

MAP REF. NO. ASSESSOR'S PARCEL NO.

52	063-312-059
53	063-312-070
54	063-313-001
55	063-312-002
56	063-313-003
57	063-312-004
58	063-312-005
59	063-313-006
60	063-313-007
61	063-313-008
62	063-313-009
63	063-313-010
64	063-313-011
65	063-313-012
66	063-313-013
67	063-312-012
68	063-312-013

MAP REF. NO. ASSESSOR'S PARCEL NO.

25	063-312-052
26	063-312-053
27	063-312-054
28	063-312-055
29	063-312-056
30	063-312-057
31	063-312-058
32	063-312-059
33	063-312-060
34	063-312-061
35	063-312-062
36	063-312-063
37	063-312-064
38	063-312-065
39	063-312-066
40	063-312-067
41	063-312-068
42	063-312-069
43	063-312-070
44	063-312-071
45	063-312-072
46	063-312-073
47	063-312-074
48	063-312-075
49	063-312-076
50	063-312-077
51	063-312-078

MAP REF. NO. ASSESSOR'S PARCEL NO.

18	063-312-035
19	063-312-036
20	063-312-037
21	063-312-038
22	063-312-039
23	063-312-040
24	063-312-041
25	063-312-042
26	063-312-043
27	063-312-044
28	063-312-045
29	063-312-046
30	063-312-047
31	063-312-048
32	063-312-049
33	063-312-050
34	063-312-051

MAP REF. NO. ASSESSOR'S PARCEL NO.

1	063-010-090
2	063-010-091
3	063-010-092
4	063-311-034
5	063-311-035
6	063-311-036
7	063-311-037
8	063-311-038
9	063-311-039
10	063-311-040
11	063-311-041
12	063-311-042
13	063-311-043
14	063-311-044
15	063-311-045
16	063-311-046
17	063-311-047

EXHIBIT A

CITY OF IMPERIAL
COMMUNITY FACILITIES DISTRICT NO. 2024-1 (MORNINGSTAR)
RATE AND METHOD OF APPORTIONMENT

A Special Tax shall be levied on all Taxable Property within the boundaries of the City of Imperial Community Facilities District No. 2024-1 (Morningstar) ("CFD No. 2024-1") and collected each Fiscal Year commencing in Fiscal Year 2024/2025 according to the tax liability determined by the City Council, through the application of the rate and method of apportionment of the Special Tax set forth below. All Taxable Property shall be taxed to the extent and in the manner herein provided.

1. Definitions

"Accessory Dwelling Unit" or **"ADU"** means all Assessor's Parcels of Residential Property for which a Building Permit(s) has been issued for an "Accessory Dwelling Unit" as defined in California Government Code Section 66313(a), as may be amended from time to time, that is accessory to a primary Unit. The ADU may be located on the same Assessor's Parcel as the primary Unit or on a separate Assessor's Parcel. For purposes of clarification, where an ADU and primary Unit are on the same Assessor's Parcel, the ADU located on such Assessor's Parcel is considered a separate Unit from the primary Unit on such Assessor's Parcel for purposes of the Special Tax and both Units will be taxed. Should an Assessor's Parcel contain only an ADU, such Assessor's Parcel will be taxed as a Unit.

"Act" means 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.

"Administrative Expenses" means the actual or estimated costs incurred by the City, acting for and on behalf of CFD No. 2024-1 as the administrator thereof, to determine, levy and collect the Special Taxes, including a reasonable allocation of salaries of City employees and a proportionate amount of the City's general administrative overhead related thereto, and the fees of consultants and legal counsel providing services related to the administration of the CFD; the costs of collecting installments of the Special Taxes; and any other costs required to administer the CFD as determined by the City.

"Annual Tax Escalation Factor" On July 1, 2025 for Fiscal Year 2025/2026 and on each subsequent July 1 for the Fiscal Year then commencing, the Maximum Special Tax rates for all Assessor's Parcels of Taxable Property shown under Section 3 shall be increased annually by the percentage increase in the Consumer Price Index (All Items) Riverside-San Bernadino-Ontario, CA, (December 2017= 100) since the beginning of the preceding Fiscal Year provided however, that any such annual increase shall not exceed four percent (4%).

"Approved Property" means a Lot included in a Final Subdivision Map that was recorded prior to March 1 preceding the Fiscal Year in which the Special Tax is being levied, and that have not been issued a building permit on or prior to June 1 preceding the Fiscal Year in which the Special Tax is being levied.

"Assessor" means the Assessor of the County of Imperial.

“Assessor's Parcel” means a lot or parcel shown on an Assessor's Parcel Map with an assigned Assessor's Parcel Number.

“Assessor's Parcel Map” means an official map of the Assessor designating parcel(s) by Assessor's Parcel Number(s).

“Assessor's Parcel Number” means the number assigned to an Assessor's Parcel by the County for purposes of identification.

“Base Year” means Fiscal Year ending June 30, 2024.

“Building Permit” means a permit for new construction issued by the City for new construction of a residential or non-residential building on an Assessor's Parcel for purposes of this definition, “Building Permit” shall not include permits for construction or installation of retaining walls, utility improvements, or other such improvements not intended for human use.

“CFD” or “CFD No. 2024-1” means the City of Imperial Community Facilities District No. 2024-1 (Morningstar), County of Imperial, State of California.

“CFD Administrator” means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement and preparing the annual Special Tax roll.

“City” means the City of Imperial, California.

“City Council” means the City Council of the City of Imperial which acts as the legislative body for CFD No. 2024-1 under the Act.

“County” means the County of Imperial, California.

“Developed Property” means for each Fiscal Year, commencing with Fiscal Year 2025-2026, each Assessor's Parcel, for which a Building Permit for new construction was issued, prior to June 1 of the previous Fiscal Year.

“Exempt Property” means an Assessor's Parcel that is not classified as Taxable Property. Exempt Property is not subject to the Special Tax.

“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 Section 66410 et seq.), or recordation of a condominium plan pursuant to California Civil Code 4200 et seq., that creates individual 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 starting on July 1 and ending the following June 30.

“Land Use Class” means any of the classes listed in Section 3 below.

“Lot” means an individual lot, identified and numbered on a recorded Final Subdivision Map, on which a building permit has been or is permitted to be issued for construction of one or more Dwelling Units without further subdivision of the lot and for which no further subdivision of the lot is anticipated.

“Maintenance” means the labor, material, administration, personnel, equipment and utilities necessary to maintain park, landscaping, parkways, trails, median islands, public

lighting including repair and replacement of recreational facilities, trees, plant material, sod, irrigation systems, weed control and other abatements, signs, monuments, and associated appurtenant facilities.

“Maintenance Requirement” means, for any Fiscal Year in which Special Taxes are levied, the amount equal to the budgeted costs for Maintenance applicable to the CFD for such Fiscal Year.

“Maximum Special Tax” means the greatest amount of Special Tax, determined in accordance with Section 3 below, which may be levied in any Fiscal Year on any Assessor’s Parcel.

“Owners Association” means a homeowners association or property owners association that provides services to, and collects assessments, fees, dues, or charges from, property within the CFD.

“Owners Association Property” means any property within the boundaries of the CFD that is owned in fee or through easement by an Owners Association, not including any such property that is located directly under a residential structure.

“Non-Residential Property” means any Assessor’s Parcel, or portion of an Assessor’s Parcel, of Developed Property in the CFD for which a building permit(s) was issued for non-residential use.

“Public Property” means any property within the boundaries of CFD No. 2024-1, the ownership of which is transferred to a public agency, and is used for rights-of-way or any other purpose and is owned by, or irrevocably offered for dedication to the federal government, the State of California, the County, the City or any other public agency where the public agency has officially agreed to accept the offer of dedication; provided however that any property owned by a public agency and leased to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified in accordance with its use.

“Reserve Fund” means a fund that shall be maintained for the CFD for each Fiscal Year to provide necessary cash flow for the first six months of each Fiscal Year, delinquencies in the payment of Special Taxes, reserve capital to cover repair and replacement costs, and a reasonable buffer to prevent large variations in annual Special Tax levies.

“Residential Property” means all Assessor’s Parcels of Developed Property for which a Building Permit has been issued for purposes of constructing one or more residential Units.

“Special Tax” means any special tax authorized to be levied within CFD No. 2024-1 pursuant to the Act and this Rate and Method of Apportionment to fund the Special Tax Requirement.

“Special Tax Requirement” means that amount required in any Fiscal Year for the CFD to: (i) pay for the Maintenance Requirement; (ii) pay for Administrative Expenses; (iii) pay any amounts required to establish or replenish the Reserve Fund; (iv) pay for reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year; less (v) a credit for funds available to reduce the annual Special Tax levy.

“State” means the State of California.

“Taxable Property” means all of the Assessor's Parcels within the boundaries of CFD No. 2024-1 that are classified as Developed Property or Approved Property. Taxable Property does not include Welfare Exempt Property.

“Tax-Exempt Property” means an Assessor's Parcel not subject to the Special Tax. Tax-Exempt Property includes: (i) Public Property, or (ii) Owner Association Property, or (iii) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement.

“Unit” means (i) for Residential Property, an individual single family detached or attached residential unit or an individual apartment unit, (ii) for Mobile Home Property, an individual mobile home, and (iii) an ADU. The number of Units assigned to each Assessor's Parcel may be determined by (i) referencing Assessor's data, (ii) site surveys and physical unit counts, and/or (iii) other research by the CFD Administrator.

“Welfare Exempt Property” means, in any Fiscal Year, all Assessor's Parcels within the boundaries of CFD No. 2024-1 that (a) have been granted a welfare exemption by the County under subdivision (g) of Section 214 of the Revenue and Taxation Code indicated in the Assessor's data finalized as of January 1 of the previous Fiscal Year, and (b) are exempt from the Special Tax pursuant to Section 53340(c) of the Act.

2. Land Use Classification

Each Fiscal Year, each Assessor's Parcel within the boundaries of CFD No. 2024-1 shall be classified as Taxable Property, Public Property or Exempt Property. Each Assessor's Parcel of Taxable Property shall be classified as based on Section 3 A and B below.

3. Maximum Special Tax Rates

A. Developed Property

TABLE 1
Fiscal Year 2024/2025
Maximum Special Tax Rates for Developed Property

Land Use Class	Description	Maximum Special Tax
1	Residential Property	\$223.00 per Unit
2	Non-Residential Property	\$1,434.00 per Acre

B. Approved Property

The Maximum Special Tax for Approved Property shall be \$223.00 per Lot.

Escalation of Maximum Special Tax

Each Fiscal Year following the Base Year, the Maximum Special Tax shall be

increased in accordance with the Annual Tax Escalation Factor and otherwise adjusted as provided in this rate and method of apportionment.

Multiple Land Use Classes

In some instances, an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax levied on an Assessor's Parcel shall be the sum of the Maximum Special Taxes for all Land Use Classes located on that Assessor's Parcel. For an Assessor's Parcel that contains both Residential Property and Non-Residential Property, the Acreage of such Assessor's Parcel shall be allocated to each type of property based on the amount of acreage designated for each Land Use Class as determined by reference to the site plan approved for such Assessor's Parcel. The CFD Administrator's allocation to each type of property shall be final.

4. Method of Apportionment

For each Fiscal Year, commencing Fiscal Year 2024/2025, the CFD Administrator shall determine the Special Tax Requirement and calculate the Special Tax so that the amount of Special Taxes equals the Special Tax Requirement. The Special Tax shall be levied on Taxable Property each Fiscal Year as follows:

Step 1: The special tax shall be levied proportionally on each Assessor's Parcel of Residential Property up to 100% of the applicable Maximum Special Tax;

Step 2: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Approved Property at up to 100% of the Maximum Special Tax for Approved Property;

Step 3: If additional monies are needed to satisfy the Special Tax Requirement after the first two steps have been completed, the special tax shall be levied proportionally on each Assessor's Parcel of Non-Residential Property up to 100% of the applicable Maximum Special Tax. No Special Tax shall be levied on Exempt Property.

5. Collection of Special Taxes

Collection of the Special Tax shall be by the County in the same manner as ordinary ad valorem property taxes are collected and the Special Tax shall be subject to the same penalties and the same lien priority in the case of delinquency as ad valorem taxes; provided, however, that the City Council may provide for other means of collecting the Special Tax if necessary to meet its financial obligations, including direct billings to the property owners.

6. Administrative Changes and Appeals

Any taxpayer subject to the Special Tax and who claims the amount of the Special Tax levied on his or her Assessor's Parcel is in error shall first consult with the CFD Administrator regarding such error not later than twelve (12) months after first having

paid the first installment of the Special Tax that is disputed. If following such consultation, the CFD Administrator determines that an error has occurred, the CFD Administrator may recommend changing the amount of the Special Tax levied on such Assessor's Parcel. If following such consultation and action, if any by the CFD Administrator, the landowner believes such error still exists, such person may file a written notice with the City Manager or designee of the City appealing the amount of the Special Tax levied on such Assessor's Parcel. Upon the receipt of such notice, the City Manager or designee may establish such procedures as deemed necessary to undertake the review of any such appeal. The City Manager or designee thereof shall interpret this Rate and Method of Apportionment and make determinations relative to the administration of the Special Tax and any landowner appeals. The decision of the City Manager or designee shall be final and binding as to all persons.

Interpretations may be made by Resolution of the City Council for purposes of clarifying any vagueness or ambiguity as it relates to the Special Tax, the Rate and Method of Apportionment, the classification of properties, or any definition applicable to CFD No. 2024-1.

7. Term of Special Tax

The Special Tax shall be levied annually in perpetuity, unless terminated earlier by a super majority of the City Council.

8. Prepayment of Special Tax

The Special Tax may not be prepaid.