SAN JOAQUIN LOCAL AGENCY FORMATION COMMISSION PROPOSED REORGANIZATION AND INCORPORATION OF THE CITY OF MOUNTAIN HOUSE

MEASURE D

Shall the order adopted on September 14, 2023, by the San Joaquin Local Formation Commission Agency (SJLAFCo) ordering a reorganization affecting the County of San Joaquin, Mountain House Community Services District, and Tracy Rural Fire Protection providing and incorporation of the City of Mountain House based on the SJLAFCo's Alternative Boundary, divestiture of Mountain House Community Services District powers (with the exception of Conditions, Covenants, and Restrictions enforcement authority), annexation of territory to Mountain House Community Services District to correspond with SJLAFCo's Alternative Boundary, establishing Mountain House Community Services District as a subsidiary district of the City of Mountain House, and detachment of territory from Tracy Rural Fire Protection District, be confirmed, subject to the terms and conditions specified in the order as more particularly described and set forth in LAFCo Resolution 23-1526?

D

YES

NO

IMPARTIAL ANALYSIS OF MEASURE D

SAN JOAQUIN LOCAL AGENCY FORMATION COMMISSION IMPARTIAL ANALYSIS OF THE PROPOSED REORGANIZATION TO INCLUDE INCORPORATION OF THE CITY OF MOUNTAIN HOUSE

A "yes" vote will create the new City of Mountain House (City) effective July 1, 2024 and make other changes described below.

A "no" vote means there will be no change in the status quo and land use planning decisions will continue to be made by the County of San Joaquin (County), and Mountain House Community Services District (MHCSD) will continue to deliver other municipal services.

Boundaries of the City generally follow the limits of the Mountain House Master Plan – the Old River on the north; western edge follows the San Joaquin/ Alameda County Line; Intestate 205 on the south; and Mountain House Parkway, Byron Highway, Wicklund Avenue forming the eastern boundary. Certain areas of preexisting development and undeveloped areas within the Master Plan area are excluded from the City boundary. More details can be found on San Joaquin Local Agency Formation Commission's (LAFCo) website (https://www.sjlafco.org/). The new City would have an area of about 4,429 acres and an estimated population of 27,000.

If approved by a majority of the voters, the measure would:

- Establish the City of Mountain House as a general law city
 effective July 1, 2024, to be governed by a five-member
 council consisting of a mayor and four councilmembers
 elected at-large. The Mayor and Councilmembers will be
 elected on the same ballot as this measure.
- Provide for appointment of a City Manager by the City Council.
- Establish a provisional appropriations limit of \$31,765,559 (a required temporary limit constraining the amount of tax revenues that can be expended in a given year). This will neither increase nor decrease tax revenues. Voters will establish a permanent limit at a future election.
- Transfer to the City from the County, MHCSD, or other subject agencies, the authority to levy and collect any previously authorized charge, fee, assessment, or general or special tax.
- Maintain MHCSD to enforce Mountain House Master Restrictions (Conditions, Covenants, and Restrictions (CC&Rs)) only. MHCSD will be governed by the City Council. All other MHCSD responsibilities would be transferred to the City.
- Detach four (4) areas totaling twelve (12) parcels comprising 138.8 acres from the Tracy Rural Fire Protection District and be serviced by the City.

• The incorporation and related changes are subject to terms and conditions in LAFCo's approval resolution, a copy of which is enclosed with the ballot materials.

LAFCo found that the proposed City will be financially feasible, projecting that it is expected to receive revenues sufficient to provide the same level of public services and facilities during the three (3) fiscal years following incorporation, with prudent reserves.

The City would assume revenues, service responsibilities, assets and liabilities of MHCSD related to specific municipal services, except those associated with enforcement of CC&R's that will continue as a service of MHCSD. These City services include, for example, law enforcement, public parks, street maintenance and general municipal services. The City will assume all land use planning from the County. Decisions about City operations and service levels will be made by the City. All County ordinances currently applicable within the boundaries of the proposed City will remain in effect until the City Council enacts ordinances superseding them.

Many public services will not change by this incorporation and related changes. These continuing services include public education and Countywide services such as healthcare, social services and the court system. Water will continue to be supplied by Byron Bethany Irrigation District and treated by the City.

The incorporation proposal was initiated by the Mountain House Community Services District on January 13, 2021, and revised on May 22, 2022. LAFCo approved the incorporation proposal and related changes on September 14, 2023.

The above statement is an impartial analysis of Measure D. If you desire a copy of the Full Resolution, Map, Legal Description, or Legal Analysis of Measure D, please call the Registrar of Voters' Office at (209) 468-VOTE (8683) and a copy will be mailed at no cost to you.

ARGUMENT IN FAVOR OF MEASURE D

For the recognition we deserve, vote YES on D: official Cityhood for Mountain House. Let's get our fair share of federal, state and county money and resources!

Did you know Mountain House is denied access to millions of dollars in money other communities are receiving? And we don't have the authority to make our own land use decisions to maintain our quality of life!

For years, Mountain House community founders and residents have fought for the right to control our own destiny and get a vote and the full representation we're entitled to on county and regional boards.

YES on D establishes Mountain House as its own independent, self-governing City to protect our interests from the whims of County bureaucrats, developers, and politicians.

YES on D gives Mountain House local control and authority over our own land use, health, and safety decisions so we can maintain the great services and local quality of life you currently enjoy.

YES on D gives Mountain House a vote on important County commissions and boards and makes our community eligible to receive money currently going to other communities.

Here's what Measure D doesn't do: Measure D doesn't raise your taxes.

Measure D doesn't change your day-to-day routine or your public safety, park, and other services.

All services you currently receive will continue without interruption. And if you're a homeowner,

your HOA practices won't change.

Voting YES on D guarantees we get our fair share of money from the County to fix our streets and

roads. YES on D keeps more of our tax dollars local and expands our ability to attract new businesses to our community.

Join Mountain House Community Services District Board Members - vote YES on D to establish official Cityhood and Local Control for Mountain House.

For factual information, visit: https://www.mountainhousecsd.org/about-us/Measure D

/s/ Salah Salah, Refined Real Estate /s/ Henry A. Stephens, Local Resident /s/ Robert Anderson, Local Resident /s/ Kaya Schmed, Teacher /s/ Thomas M. Kelly, Financial Planner

NO ARGUMENT AGAINST MEASURE D WAS SUBMITTED