

RESOLUTION NO. 12,739

RESOLUTION OF THE CITY COUNCIL OF CITY OF OXNARD
ESTABLISHING COMMUNITY FACILITIES DISTRICT NO. 4
(SEABRIDGE AT MANDALAY BAY) OF THE CITY OF
OXNARD, AUTHORIZING THE LEVY OF A SPECIAL TAX
THEREIN AND CALLING AN ELECTION

WHEREAS, the City Council of City of Oxnard (the "City Council") has heretofore adopted Resolution No. 12,716 stating its intention to form Community Facilities District No. 4 (Seabridge at Mandalay Bay) of the City of Oxnard (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, a copy of Resolution No. 12,716 setting forth a description of the proposed boundaries of the District, the services to be performed by the District and the rate and method of apportionment of the special tax proposed to be levied within the District is on file with the City Clerk and is incorporated herein by reference; and

WHEREAS, notice was published and mailed to all landowners of the land proposed to be included within the District as required by law relative to the intention of the City Council to form the proposed District and to levy a special tax; and

WHEREAS, on November 23, 2004, this City Council held a noticed public hearing as required by law relative to the proposed formation of the District, the levy of the special tax therein; and

WHEREAS, prior to the noticed public hearing there was filed with this City Council a report prepared by David Taussig & Associates containing a description of the services necessary to meet the needs of the District and an estimate of the cost of such services as required by Section 53321.5 of the Government Code (the "Report"); and

WHEREAS, at the public hearing all persons desiring to be heard on all matters pertaining to the formation of the District, the levy of the special tax were heard and a full and fair hearing was held; and

WHEREAS, at the public hearing evidence was presented to the City Council on the matters before it, and the proposed special tax to be levied within the District was not precluded by a majority protest of the type described in Government Code Section 53324, and this City Council at the conclusion of the hearing is fully advised as to all matters relating to the formation of the District, the levy of the special tax; and

WHEREAS, the City Council has determined that there have been fewer than twelve registered voters residing in the proposed boundaries of the District for the statutory period and that the qualified electors in the District are the landowners within the District; and

WHEREAS, on the basis of all of the foregoing, the City Council has determined at this time to proceed with the establishment of the District and to call an election therein to authorize (i) the levy of special taxes pursuant to the rate and method of apportionment of the special tax, as set forth in Attachment A attached hereto, and (ii) the establishment of an appropriations limit for the District;

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

SECTION 1. Each of the above recitals is true and correct.

SECTION 2. A community facilities district to be designated "Community Facilities District No. 4 (Seabridge at Mandalay Bay) of the City of Oxnard" is hereby established pursuant to the Act. The City Council hereby finds and determines that all prior proceedings taken with respect to the establishment of the District were valid and in conformity with the requirements of law, including the Act. This finding is made in accordance with the provisions of Section 53325.1(b) of the Act.

SECTION 3. The boundaries of the District are established as shown on the map designated "Map of Proposed Boundaries of Community Facilities District No. 4 (Seabridge at Mandalay Bay) of the City of Oxnard", 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 of Ventura Book of Maps of Assessment and Community Facilities Districts in the County Recorder's Office in Book No. 19, Page Nos. 8-9, on October 26, 2004.

SECTION 4. The services authorized to be provided for the District are all or some of the following services: (a) police protection services, including, but not limited to, enforcement of codes relating to the waterways within and adjoining the Community Facilities District No. 4 (Seabridge at Mandalay Bay) and the harbor which is essential to the use and enjoyment of the waterways within the District; (b) maintenance of parks, parkways and open space, channels, flood and storm protection facilities, public boat docks, dredging and remediation costs, including but not limited to waterways within and adjoining the Community Facilities District No. 4 (Seabridge at Mandalay Bay) and the harbor which is essential to the use and enjoyment of the waterways within the Community Facilities District No. 4 (Seabridge at Mandalay Bay) to the extent such additional services are authorized by Section 53313 of the Government Code of the State of California, (collectively, the "Services"), and to finance the Incidental Expenses to be incurred, including: all costs associated with the creation of Community Facilities District No. 4 (Seabridge at Mandalay Bay) not covered by funds received from Community Facilities District No. 3 (Seabridge at Mandalay Bay), the determination of the amount of annual special taxes to be levied, the cost of levying and collecting the annual special tax, costs otherwise incurred in order to carry out the authorized purposes of the Community Facilities District No. 4 (Seabridge at Mandalay Bay), including legal, consultants, engineering, planning and designing costs, and the cost of the annual administration of Community Facilities District No. 4 (Seabridge at Mandalay Bay).

SECTION 5. Except where funds are otherwise available, it is the intention of the City Council, subject to the approval of the eligible voters of the District, to levy the proposed special tax at the rates set forth in Attachment A hereto on all non-exempt property within the District sufficient to pay for (i) the Services and (ii) the costs of forming the District and administering the levy and collection of the special tax and all other administrative costs of the special tax levy. The District expects to incur, and in certain cases has already incurred, incidental expenses in connection with the

creation of the District. The rate and method of apportionment of the special tax is described in detail on Attachment A hereto and incorporated herein by this reference, and the City Council hereby finds that Attachment A contains sufficient detail to allow each landowner within the District to estimate the maximum amount that may be levied against each parcel. As described in greater detail in the Report, which is incorporated by reference herein, the special tax is based on the expected demand that each parcel of real property within the District will place on the Services and on the benefit that each parcel will derive from the right to access the Services and, accordingly, is hereby determined to be reasonable. The special tax shall be levied on each Assessor's Parcel in each year as long as need to provide the Services. 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.

The Office of the Finance and Management Services Director of the City of Oxnard, 305 West Third Street, Oxnard, California 93030, telephone number (805) 385-7475, will be responsible for preparing annually, or authorizing a designee to prepare, a current roll of special tax levy obligations by assessor's parcel number and will be responsible for estimating future special tax levies pursuant to Section 53340.2 of the Act.

SECTION 6. 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 District and this lien shall continue in force and effect until the lien canceled in accordance with law or until collection of the special tax by the District ceases.

SECTION 7. Consistent with Section 53325.6 of the Act, the City Council finds and determines that the land within the District, 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 District and will be benefited by the Services proposed to be provided within the District.

SECTION 8. Written protests against the establishment of the District have not been filed by one-half or more registered voters within the boundaries of the District or by the property owners of one-half (1/2) or more of the area of land within the District. The City Council hereby finds that the proposed special tax has not been precluded by a majority protest pursuant to Section 53324 of the Act.

SECTION 9. An election is hereby called for the District on the propositions of levying the special tax on the property within the District and establishing an appropriations limit for the District pursuant to Section 53325.7 of the Act. The language of the proposition to be placed on the ballot is attached hereto as Attachment B.

SECTION 10. The date of the election for the District on the proposition of authorizing the levy of the special tax and establishing an appropriations limit for the District shall be November 23, 2004. The Acting City Clerk shall conduct the election. Except as otherwise provided by the Act, the election shall be conducted by personally delivered or mailed ballot and, except as otherwise provided by the Act, the election shall be conducted in accordance with the provisions of law regulating elections of the City of Oxnard insofar as such provisions are determined by the City Clerk to be applicable.

It is hereby found that there are not more than twelve registered voters within the territory of the District, and, pursuant to Section 53326 of the Government Code, the landowner who is the owner of record on the date hereof or the authorized representative thereof shall have one vote for each acre or portion thereof that he or she owns within the District. Pursuant to Section 53326 of the Government Code, the sole landowner within the District has submitted to the City Council a waiver of all time limits applicable to the election and the City Council directs the Acting City Clerk to conduct the election following the adoption of this resolution.

SECTION 11. The preparation of the Report is hereby ratified. The Report, as submitted, is hereby approved and is made a part of the record of the public hearing regarding the formation of the District, and is ordered to be kept on file with the transcript of these proceedings and open for public inspection.

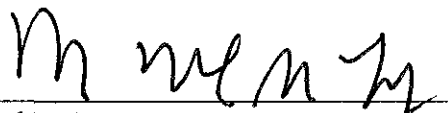
APPROVED AND ADOPTED this 23rd day of November, 2004 by the following vote:

AYES: Councilmembers Pinkard, Zaragoza, Herrera, Lopez and Maulhardt.

NOES: None.

ABSENT: None.

ABSTAIN: None.



Dr. Manuel M. Lopez
Mayor of the City of Oxnard acting in its capacity as
the legislative body of Community Facilities District
No. 4 (Seabridge at Mandalay Bay) of the City of
Oxnard

ATTEST:

Jill Beaty

Jill Beaty
Acting City Clerk of the City of Oxnard

(SEAL)

APPROVED AS TO FORM:

Gary Gillig

Gary Gillig, City Attorney

ATTACHMENT A
RATE AND METHOD OF APPORTIONMENT
OF SPECIAL TAXES

**RATE AND METHOD OF APPORTIONMENT FOR
COMMUNITY FACILITIES DISTRICT NO. 4
(SEABRIDGE AT MANDALAY BAY)
OF THE CITY OF OXNARD**

A Special Tax as hereinafter defined shall be levied on all Assessor's Parcels in Community Facilities District No. 4 (Seabridge at Mandalay Bay) of the City of Oxnard ("CFD No. 4") and collected each Fiscal Year commencing in Fiscal Year 2004-2005, in an amount determined by the Council through the application of the appropriate Special Tax for "Developed Property" and "Undeveloped Property" as described below. All of the real property in CFD No. 4, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acre or Acreage" means the land area of an Assessor's Parcel 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 map, parcel map, condominium plan, or other recorded County parcel map.

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

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of CFD No. 4: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Special Taxes (whether by the County or otherwise); the costs to the City, CFD No. 4 or any designee thereof of complying with City, CFD No. 4 or obligated persons disclosure requirements associated with applicable federal and state securities laws and of the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the City, CFD No. 4 or any designee thereof related to an appeal of the Special Tax; and the City's annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 4 for any other administrative purposes of CFD No. 4, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

"Assessor's Parcel" means a 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.

"CFD Administrator" means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement, the Contingent Special Tax Requirement, and providing for the levy and collection of the Special Taxes.

"CFD No. 4" means Community Facilities District No. 4 (Seabridge at Mandalay Bay) of the City.

"City" means the City of Oxnard.

"Contingent Special Tax Requirement" means that amount required in any Fiscal Year for CFD No. 4 to: (i) pay directly for dredging the harbor entrance, but only if such services are no longer provided by the United States Army Corps of Engineers, as determined by the CFD Administrator; and/or (ii) pay directly for maintaining water circulation through the canals, but only if such services are required due to the closure of the Mandalay Bay power plant and adequate funding is not available from other sources, as determined by the CFD Administrator.

"Council" means the City Council of the City, acting as the legislative body of CFD No. 4.

"County" means the County of Ventura.

"Developed Property" means, for each Fiscal Year, all Taxable Property for which a building permit for new construction was issued as of January 1 of the previous Fiscal Year.

"Expected Special Tax" means the Special Tax anticipated to be levied on each Assessor's Parcel of Developed Property to meet the Special Tax Requirement, as determined in accordance with Sections C and D below.

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

"Land Use Class" means any of the classes listed in Table 1 or Table 2.

"Maximum Special Tax" means the maximum Special Tax, determined in accordance with Section C below, that can be levied in any Fiscal Year on any Assessor's Parcel.

"Non-Residential Floor Area" for any Non-Residential Property means the total square footage of the building(s) located on such property, measured from outside wall to outside wall, exclusive of overhangs, porches, patios, carports, or similar spaces attached to the building but generally open on at least two sides. The determination of Non-Residential Floor Area shall be made by reference to the building permit(s) issued for such Assessor's Parcel.

"Non-Residential Property" means all Assessor's Parcels of Developed Property for which a building permit(s) was issued for a non-residential use.

"Non-Waterfront Property" means all Assessor's Parcels of Single Family Detached Property that are not classified as Waterfront Property.

"Occupied Residential Property" means all Assessor's Parcels of Residential Property which have been sold to, or occupied by, the initial occupant.

"Property Owner Association Property" means, for each Fiscal Year, any Assessor's Parcel within the boundaries of CFD No. 4 that was owned by or irrevocably offered for dedication to a property owner association, including any master or sub-association, as of January 1 of the previous Fiscal Year.

"Proportionately" means that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Developed Property. For Undeveloped Property, "Proportionately" means that the ratio of the actual Special Tax levy per Acre to the Maximum Special Tax per Acre is equal for all Assessor's Parcels of Undeveloped Property.

"Public Property" means, for each Fiscal Year, (i) any property within the boundaries of CFD No. 4 that was owned by or irrevocably offered for dedication to the federal government, the State, the City or any other public agency as of January 1 of the previous Fiscal Year; provided however that any property leased by a public agency 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; or (ii) any property within the boundaries of CFD No. 4 that was encumbered, as of January 1 of the previous Fiscal Year, by an unmanned utility easement making impractical its utilization for other than the purpose set forth in the easement.

"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 dwelling units.

"Residential Floor Area" for any Residential Property means all of the square footage of living area within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be made by reference to the building permit(s) issued for each dwelling unit prior to it being classified as Occupied Residential Property.

"Single Family Attached Property" means all Assessor's Parcels of Residential Property for which building permits have been issued for attached residential units.

"Single Family Detached Property" means all Assessor's Parcels of Residential Property for which building permits have been issued for detached residential units.

"Special Tax" means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Developed Property and Undeveloped Property to fund the Special Tax Requirement and the Contingent Special Tax Requirement.

"Special Tax Requirement" means that amount required in any Fiscal Year for CFD No. 4 to: (i) pay directly for landscaping, canal maintenance, storm drain filtration maintenance,

and code enforcement services; (ii) pay Administrative Expenses; less (iii) a credit for funds available to reduce the annual Special Tax levy, as determined by the CFD Administrator.

"State" means the State of California.

"Taxable Property" means all of the Assessor's Parcels within the boundaries of CFD No. 4 which are not exempt from the Special Tax pursuant to law or Section E below.

"Undeveloped Property" means, for each Fiscal Year, all Taxable Property not classified as Developed Property.

"Waterfront Property" means all Assessor's Parcels of Single Family Detached Property that, as determined by the CFD Administrator (i) are contiguous to open water or channels of water, or (ii) have a minimum distance to open water or channels of water of no more than 50 feet and are contiguous to parkway or open space parcels that are contiguous to open water or channels of water.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, all Taxable Property within CFD No. 4 shall be classified as Developed Property or Undeveloped Property and shall be subject to Special Taxes in accordance with the rate and method of apportionment determined pursuant to Sections C and D below. Residential Property shall be assigned to Land Use Classes 1 through 10 based on the location, type of structure, and Residential Floor Area. Non-Residential Property shall be assigned to Land Use Class 11.

C. MAXIMUM SPECIAL TAX RATE

1. Developed Property

a. Maximum Special Tax

The Maximum Special Tax for Fiscal Year 2004-2005 for each Land Use Class is shown below in Table 1.

TABLE 1

**Maximum Special Taxes for Developed Property
For Fiscal Year 2004-2005
Community Facilities District No. 4**

Land Use Class	Description	Waterfront / Non-Waterfront	Residential Floor Area	Maximum Special Tax
1	Single Family Detached Property	Waterfront	≥ 3,500 SF	\$3,746 per unit
2	Single Family Detached Property	Waterfront	3,100 – 3,499 SF	\$3,443 per unit
3	Single Family Detached Property	Waterfront	< 3,100 SF	\$3,235 per unit
4	Single Family Detached Property	Non-Waterfront	≥ 3,100 SF	\$3,213 per unit
5	Single Family Detached Property	Non-Waterfront	2,700 – 3,099 SF	\$2,810 per unit
6	Single Family Detached Property	Non-Waterfront	< 2,700 SF	\$2,568 per unit
7	Single Family Attached Property	NA	≥ 1,800 SF	\$2,022 per unit
8	Single Family Attached Property	NA	1,400 – 1,799 SF	\$1,640 per unit
9	Single Family Attached Property	NA	1,000 – 1,399 SF	\$1,407 per unit
10	Single Family Attached Property	NA	< 1,000 SF	\$1,193 per unit
11	Non-Residential Property	NA	NA	\$0.6366 per square foot of Non-Residential Floor Area

b. Expected Special Tax

The Expected Special Tax for Fiscal Year 2004-2005 for each Land Use Class is shown below in Table 2.

TABLE 2

**Expected Special Taxes for Developed Property
For Fiscal Year 2004-2005
Community Facilities District No. 4**

Land Use Class	Description	Waterfront / Non-Waterfront	Residential Floor Area	Expected Special Tax
1	Single Family Detached Property	Waterfront	≥ 3,500 SF	\$3,282 per unit
2	Single Family Detached Property	Waterfront	3,100 – 3,499 SF	\$3,017 per unit
3	Single Family Detached Property	Waterfront	< 3,100 SF	\$2,834 per unit
4	Single Family Detached Property	Non-Waterfront	≥ 3,100 SF	\$2,815 per unit
5	Single Family Detached Property	Non-Waterfront	2,700 – 3,099 SF	\$2,462 per unit
6	Single Family Detached Property	Non-Waterfront	< 2,700 SF	\$2,250 per unit
7	Single Family Attached Property	NA	≥ 1,800 SF	\$1,771 per unit
8	Single Family Attached Property	NA	1,400 – 1,799 SF	\$1,437 per unit
9	Single Family Attached Property	NA	1,000 – 1,399 SF	\$1,232 per unit
10	Single Family Attached Property	NA	< 1,000 SF	\$1,046 per unit
11	Non-Residential Property	NA	NA	\$0.5064 per square foot of Non-Residential Floor Area

c. Increase in the Maximum Special Tax and Expected Special Tax

On each July 1, commencing on July 1, 2005, the Maximum Special Tax and the Expected Special Tax shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

d. Multiple Land Use Classes

In some instances an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Expected Special Tax levied on an Assessor's Parcel shall be the sum of the Expected Special Taxes for all Land Use Classes located on that Assessor's Parcel. The Maximum Special Tax that can be levied on an Assessor's Parcel shall be the sum of the Maximum Special Taxes that can be levied for all Land Use Classes located on that Assessor's Parcel.

2. Undeveloped Property

a. Maximum Special Tax

The Fiscal Year 2004-2005 Maximum Special Tax for Undeveloped Property shall be \$26,352 per Acre.

b. Increase in the Maximum Special Tax

On each July 1, commencing on July 1, 2005, the Maximum Special Tax for Undeveloped Property shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing with Fiscal Year 2004-2005 and for each following Fiscal Year, the Council shall levy the Special Tax until the amount of Special Taxes equals the Special Tax Requirement and the Contingent Special Tax Requirement, if any. The Special Tax shall be levied each Fiscal Year as follows:

First: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Expected Special Tax as needed to satisfy the Special Tax Requirement;

Second: 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 Undeveloped Property at up to 100% of the Maximum Special Tax for Undeveloped Property;

Third: If the Contingent Special Tax Requirement is greater than zero, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Maximum Special Tax as needed to satisfy the Special Tax Requirement and the Contingent Special Tax Requirement.

Notwithstanding the above, under no circumstances will the Special Tax levied against any Assessor's Parcel of Residential Property for which an occupancy permit for private residential use has been issued be increased by more than ten percent as a consequence of delinquency or default by the owner of any other Assessor's Parcel within CFD No. 4.

E. EXEMPTIONS

No Special Tax shall be levied on Property Owner Association Property or Public Property. However, should an Assessor's Parcel no longer be classified as Property Owner Association Property or Public Property, its tax-exempt status will be revoked.

F. APPEALS AND INTERPRETATIONS

Any landowner or resident may file a written appeal of the Special Tax on his/her property with the CFD Administrator, provided that the appellant is current in his/her payments of Special Taxes. During the pendency of an appeal, all Special Taxes previously levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination. If the CFD Administrator agrees with the appellant, the CFD Administrator shall eliminate or reduce the Special Tax on the appellant's property and/or provide a refund to the appellant. If the CFD Administrator disagrees with the appellant and the appellant is dissatisfied with the determination, the appellant then has 30 days in which to appeal to the Council by filing a written notice of appeal with the City Clerk, provided that the appellant is current in his/her payments of Special Taxes. The second appeal must specify the reasons for its disagreement with the CFD Administrator's determination.

Interpretations may be made by the Council by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment.

G. MANNER OF COLLECTION

The Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that CFD No. 4 may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on delinquent Assessor's Parcels as permitted by the Act.

H. TERM OF SPECIAL TAX

The Special Tax shall be levied as long as necessary to meet the Special Tax Requirement.

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ATTACHMENT B
BALLOT PROPOSITION
COMMUNITY FACILITIES DISTRICT NO. 4
(SEABRIDGE AT MANDALAY BAY)
OF THE CITY OF OXNARD

PROPOSITION NO. A: Shall Community Facilities District No. 4 (Seabridge at Mandalay Bay) of the City of Oxnard (the "District") be authorized to levy and collect a special tax within the City of Oxnard (the "City") to provide the proposed Services, all or some of which will be financed include: (a) police protection services, including, but not limited to, enforcement of codes relating to the waterways within and adjoining the Community Facilities District No. 4 (Seabridge at Mandalay Bay) and the harbor which is essential to the use and enjoyment of the waterways within the District; (b) maintenance of parks, parkways and open space, channels, flood and storm protection facilities, public boat docks, dredging and remediation costs, including but not limited to waterways within and adjoining the Community Facilities District No. 4 (Seabridge at Mandalay Bay) and the harbor which is essential to the use and enjoyment of the waterways within the Community Facilities District No. 4 (Seabridge at Mandalay Bay) to the extent such additional services are authorized by Section 53313 of the Government Code of the State of California (the "Services"). The Incidental Expenses to be incurred, include: all costs associated with the creation of Community Facilities District No. 4 (Seabridge at Mandalay Bay) not covered by funds received from Community Facilities District No. 3 (Seabridge at Mandalay Bay), the determination of the amount of annual special taxes to be levied, the cost of levying and collecting the annual special tax, costs otherwise incurred in order to carry out the authorized purposes of the Community Facilities District No. 4 (Seabridge at Mandalay Bay), including legal, consultants, engineering, planning and designing costs, and the cost of the annual administration of Community Facilities District No. 4 (Seabridge at Mandalay Bay), as provided in Resolution No. 12,716 of the City Council of the City (the "Resolution of Intention"), and shall a special tax with a rate or rates and method of apportionment as provided in the Resolution of Intention be levied to pay for the Services and the Incidental Expenses of the City?

YES _____

NO _____

PROPOSITION B: For each year commencing with Fiscal Year 2004/2005, shall the appropriations limit, as defined by subdivision (h) of Section 8 of Article XIII B of the California Constitution, for Community Facilities District No. 4 (Seabridge at Mandalay Bay) of the City of Oxnard, be an amount equal to \$1,504,443, escalating at 2% a year?

YES _____

NO _____

ATTACHMENT B

BALLOT PROPOSITION

**COMMUNITY FACILITIES DISTRICT NO. 4
(SEABRIDGE AT MANDALAY BAY)
OF THE CITY OF OXNARD**

PROPOSITION NO. A: Shall Community Facilities District No. 4 (Seabridge at Mandalay Bay) of the City of Oxnard (the "District") be authorized to levy and collect a special tax within the City of Oxnard (the "City") to provide the proposed Services, all or some of which will be financed include: (a) police protection services, including, but not limited to, enforcement of codes relating to the waterways within and adjoining the Community Facilities District No. 4 (Seabridge at Mandalay Bay) and the harbor which is essential to the use and enjoyment of the waterways within the District; (b) maintenance of parks, parkways and open space, channels, flood and storm protection facilities, public boat docks, dredging and remediation costs, including but not limited to waterways within and adjoining the Community Facilities District No. 4 (Seabridge at Mandalay Bay) and the harbor which is essential to the use and enjoyment of the waterways within the Community Facilities District No. 4 (Seabridge at Mandalay Bay) to the extent such additional services are authorized by Section 53313 of the Government Code of the State of California (the "Services"). The Incidental Expenses to be incurred, include: all costs associated with the creation of Community Facilities District No. 4 (Seabridge at Mandalay Bay) not covered by funds received from Community Facilities District No. 3 (Seabridge at Mandalay Bay), the determination of the amount of annual special taxes to be levied, the cost of levying and collecting the annual special tax, costs otherwise incurred in order to carry out the authorized purposes of the Community Facilities District No. 4 (Seabridge at Mandalay Bay), including legal, consultants, engineering, planning and designing costs, and the cost of the annual administration of Community Facilities District No. 4 (Seabridge at Mandalay Bay), as provided in Resolution No. 12,716 of the City Council of the City (the "Resolution of Intention"), and shall a special tax with a rate or rates and method of apportionment as provided in the Resolution of Intention be levied to pay for the Services and the Incidental Expenses of the City?

YES _____

NO _____

PROPOSITION B: For each year commencing with Fiscal Year 2004/2005, shall the appropriations limit, as defined by subdivision (h) of Section 8 of Article XIII B of the California Constitution, for Community Facilities District No. 4 (Seabridge at Mandalay Bay) of the City of Oxnard, be an amount equal to \$1,504,443, escalating at 2% a year?

YES _____

NO _____

**CITY OF OXNARD
COMMUNITY FACILITIES DISTRICT
No. 4
(SEABRIDGE AT MANDALAY BAY)**

November 9, 2004

**COMMUNITY FACILITIES DISTRICT REPORT
MELLO-ROOS COMMUNITY FACILITIES ACT OF 1982**

**CITY OF OXNARD
COMMUNITY FACILITIES DISTRICT NO. 4
(SEABRIDGE AT MANDALAY BAY)**

Prepared for

CITY OF OXNARD
300 West 3rd Street
Oxnard, CA 93030

Prepared by

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I. INTRODUCTION

WHEREAS, the City Council of the City of Oxnard (hereinafter referred to as the "City Council") did, pursuant to the provisions of the "Mello-Roos Community Facilities Act of 1982," being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California (hereinafter referred to as the "Act"), and specifically Section 53321.5 thereof, expressly order the filing of a written "Report" with the legislative body of the proposed community facilities district. This community facilities district being Community Facilities District No. 4 (Seabridge at Mandalay Bay) shall hereinafter be referred to as:

"CFD No. 4"; and

WHEREAS, the Resolution of Intention of the City Council to Establish Community Facilities District No. 4 of the City of Oxnard, to Authorize the Levy of a Special Tax to Pay the Cost of Financing Certain Services Within the District and Expenses of the District did direct that said Report generally contain the following:

1. A brief description of the services by type which will be required to adequately meet the needs of CFD No. 4; and
2. An estimate of the cost of providing those services or incidental costs.

NOW, THEREFORE, David Taussig & Associates, Inc., as special tax consultant to the City of Oxnard for CFD No. 4, does hereby submit this Report.

II. PROJECT DESCRIPTION

CFD No. 4 encompasses approximately 135.3 gross acres of land in the City of Oxnard. Of this acreage, approximately 69.3 acres are expected to be developed into uses subject to a Mello-Roos special tax levy. At buildout, the property within CFD No. 4 will consist of approximately 708 single-family residential units and 161,000 square feet of non-residential space.

III. DESCRIPTION AND ESTIMATED COST OF PROPOSED FACILITIES

A community facilities district may finance any one or more of the following types of services: police protection services, but not limited to, enforcement of codes relating to the waterways within and adjoining CFD No. 4 and the harbor; maintenance of parks, parkways and open space, channels, flood and storm protection facilities, public boat docks, dredging and remediation costs, including but not limited to waterways within and adjoining CFD No. 4 and the harbor. The authorized services may be financed only to the extent that such services are in addition to those services provided in the community facilities district prior to creation of the community facilities district.

A. Description of Proposed Facilities

CFD No. 4 is not authorized to finance any facilities.

B. Description of Proposed Services

CFD No. 4 will finance all or some of the following services (a) police protection services, including, but not limited to, enforcement of codes relating to the waterways within and adjoining CFD No. 4 and the harbor, and (b) maintenance of parks, parkways and open spaces, channels, flood and storm protection facilities, public boat docks, dredging and remediation costs, including but not limited to waterways within and adjoining CFD No. 4 and the harbor.

C. Estimated Cost of Proposed Public Services

The estimated annual costs of the proposed services are listed below in Table 1. These costs are only estimates and may escalate in future years.

TABLE 1

Services	Projected Annual Cost*
Stormwater Management System	\$52,500
Waterways	\$283,040
Landscaping & Park Supervisor Fees	\$543,166
MOU - County	\$412,979
Dredging & Redmediation Costs **	\$212,758
Total Annual Services Costs	\$1,504,443

* Projected Annual Cost as of FY 2006-07.

** The cost of these services will be included in the special tax levy only if certain contingencies occur.

IV. BONDED INDEBTEDNESS AND INCIDENTAL EXPENSES

A. Projected Bond Sales

CFD No. 4 is not currently authorized to sell bonds.

B. Incidental Expenses to be Included in the Annual Levy of Special Taxes

Pursuant to Section 53340 of the Act, the proceeds of any special tax may only be used to pay, in whole or part, the cost of providing public facilities, services and incidental expenses. Incidental expenses may include, but are not limited to, the costs associated with the creation of the district, determination of the amount of taxes, collection of taxes, payment of taxes, or costs otherwise incurred in order to carry out the authorized purposes of CFD No. 4.

V. RATE AND METHOD OF APPORTIONMENT OF THE SPECIAL TAX

All of the property located within CFD No. 4, unless exempted by law or by the Rates and Methods of Apportionment for CFD 4, shall be taxed for the purpose of providing necessary services to serve CFD No. 4. Pursuant to Section 53325.3 of the Act, the tax imposed "is a special tax and not a special assessment, and there is no requirement that the tax be apportioned on the basis of benefit to any property." The Special Tax "may be based on benefit received by parcels of real property, the cost of making facilities or authorized services available to each parcel, or other reasonable basis as determined by the legislative body," although the Special Tax may not be apportioned on an ad valorem basis pursuant to Article XIII A of the California Constitution.

As shown in Exhibit A, the Rate and Method of Apportionment provides information sufficient to allow each property owner within CFD No. 4 to estimate the maximum annual Special Tax he or she will be required to pay. Sections A through C, below, provide additional information on the Rate and Method of Apportionment of the Special Tax for CFD No. 4.

A. Explanation for Special Tax Apportionment

When a community facilities district is formed, a Special Tax may be levied on each parcel of taxable property within CFD No. 4 to pay for to pay for authorized services or other related expenses incurred by CFD No. 4. This Special Tax must be apportioned in a reasonable manner; however, the tax may not be apportioned on an ad valorem basis.

When more than one type of land use is present within a community facilities district, several criteria may be considered when apportioning the Special Tax. Generally, criteria based on building square footage, acreage, and land use are selected, and categories based on such criteria are established to differentiate between parcels of property. These categories are a direct result of the projected product mix, and are reflective of the proposed land use types within that community facilities district. Specific Special Tax levels are assigned to each land use class, with all parcels within a land use class assigned the same Special Tax rate.

The Act does not require that Special Taxes be apportioned to individual parcels based on benefit received. However, in order to insure fairness and equity, benefit principles have been incorporated in establishing the Special Tax¹ rates for CFD No. 4.

The major assumption inherent in the Special Tax rates set forth in the Rate and Method of Apportionment is that the level of benefit received from the proposed public services is a function of land use. More specifically, benefits from public services for residential development tend to vary with home size, type, and location. Larger detached homes will generally receive greater benefit from the services proposed by CFD No. 4 than will

¹ All capitalized terms used herein, unless otherwise indicated, shall have the meanings defined in the Rate and Method of Apportionment attached as Exhibit A.

smaller attached homes. In addition, homes that are located directly on the waterfront will receive greater benefit than homes that are further from the water.

Eleven Land Use Classes have been established for CFD No. 4. Residential Property will be assigned to Land Use Classes 1 through 10 based on the size and type of dwelling unit and whether or not the home is located on the waterfront. Non-Residential Property will be assigned to Land Use Class 11 and the special tax will be determined based on building square feet on the Assessor's Parcel.

Based on the types of public facilities that are proposed for CFD No. 4 and the factors described above, the Special Taxes assigned to specific land uses are generally proportionate to the relative benefits received by them, and, accordingly, the Special Taxes in CFD No. 4 can be considered fair and reasonable.

B. Maximum and Expected Special Tax Rates

Exhibit B lists the Maximum Special Tax rates for Fiscal Year 2004-05 that may be levied against Developed Property within CFD No. 4. Exhibit C list the Expected Special Tax rates that will be levied against Developed Property. The Maximum Special Tax and the Expected Special Tax will increase at a rate of two percent per year.

The Maximum Special Tax will only be levied if certain contingencies occur and the Expected Special Taxes are not sufficient to cover the cost of the contingent services.

Each year the City Council shall levy the Special Tax, subject to the methodology and Maximum Special Taxes set forth in the Rate and Method of Apportionment, in a amount, sufficient to meet the special tax requirement.

C. Accuracy of Information

In order to establish the Special Taxes for CFD No. 4 as set forth in the Rate and Method of Apportionment, David Taussig & Associates, Inc. has relied on information including, but not limited to, absorption and net taxable acreage, which were provided to David Taussig & Associates, Inc. by others. David Taussig & Associates, Inc. has not independently verified such data and disclaims responsibility for the impact of inaccurate data provided by others, if any, on the Rate and Method of Apportionment for CFD 4, including the inability to meet the financial obligations of CFD No. 4.

VI. BOUNDARIES OF COMMUNITY FACILITIES DISTRICT

The boundaries of CFD No. 4 include all land on which the Special Taxes may be levied. A map of the area included within CFD No. 4 is provided as Exhibit E.

VII. GENERAL TERMS AND CONDITIONS

A. Substitution Facilities

The description of the services, as set forth herein, are general in their nature. The City may modify the services provided and any such substitution shall not be a change or modification in the proceedings as long as the services provide a function substantially similar to that as set forth in this Report.

B. Appeals and Interpretations

Any landowner or resident may file a written appeal of the Special Tax on his/her property with the CFD Administrator, provided that the appellant is current in his/her payments of Special Taxes. During the pendency of an appeal, all Special Taxes previously levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination. If the CFD Administrator agrees with the appellant, the CFD Administrator shall eliminate or reduce the Special Tax on the appellant's property and/or provide a refund to the appellant. If the CFD Administrator disagrees with the appellant and the appellant is dissatisfied with the determination, the appellant then has 30 days in which to appeal to the Council by filing a written notice of appeal with the City Clerk, provided that the appellant is current in his/her payments of Special Taxes. The second appeal must specify the reasons for its disagreement with the CFD Administrator's determination.

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EXHIBIT A

**RATE AND METHOD OF APPORTIONMENT FOR
COMMUNITY FACILITIES DISTRICT NO. 4
(SEABRIDGE AT MANDALAY BAY)**

**RATE AND METHOD OF APPORTIONMENT FOR
COMMUNITY FACILITIES DISTRICT NO. 4
(SEABRIDGE AT MANDALAY BAY)
OF THE CITY OF OXNARD**

A Special Tax as hereinafter defined shall be levied on all Assessor's Parcels in Community Facilities District No. 4 (Seabridge at Mandalay Bay) of the City of Oxnard ("CFD No. 4") and collected each Fiscal Year commencing in Fiscal Year 2004-2005, in an amount determined by the Council through the application of the appropriate Special Tax for "Developed Property" and "Undeveloped Property" as described below. All of the real property in CFD No. 4, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

"Acre or Acreage" means the land area of an Assessor's Parcel 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 map, parcel map, condominium plan, or other recorded County parcel map.

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

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of CFD No. 4: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Special Taxes (whether by the County or otherwise); the costs to the City, CFD No. 4 or any designee thereof of complying with City, CFD No. 4 or obligated persons disclosure requirements associated with applicable federal and state securities laws and of the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the City, CFD No. 4 or any designee thereof related to an appeal of the Special Tax; and the City's annual administration fees and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 4 for any other administrative purposes of CFD No. 4, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

"Assessor's Parcel" means a 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.

"**CFD Administrator**" means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement, the Contingent Special Tax Requirement, and providing for the levy and collection of the Special Taxes.

"**CFD No. 4**" means Community Facilities District No. 4 (Seabridge at Mandalay Bay) of the City.

"**City**" means the City of Oxnard.

"**Contingent Special Tax Requirement**" means that amount required in any Fiscal Year for CFD No. 4 to: (i) pay directly for dredging the harbor entrance, but only if such services are no longer provided by the United States Army Corps of Engineers, as determined by the CFD Administrator; and/or (ii) pay directly for maintaining water circulation through the canals, but only if such services are required due to the closure of the Mandalay Bay power plant and adequate funding is not available from other sources, as determined by the CFD Administrator.

"**Council**" means the City Council of the City, acting as the legislative body of CFD No. 4.

"**County**" means the County of Ventura.

"**Developed Property**" means, for each Fiscal Year, all Taxable Property for which a building permit for new construction was issued as of January 1 of the previous Fiscal Year.

"**Expected Special Tax**" means the Special Tax anticipated to be levied on each Assessor's Parcel of Developed Property to meet the Special Tax Requirement, as determined in accordance with Sections C and D below.

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

"**Land Use Class**" means any of the classes listed in Table 1 or Table 2.

"**Maximum Special Tax**" means the maximum Special Tax, determined in accordance with Section C below, that can be levied in any Fiscal Year on any Assessor's Parcel.

"**Non-Residential Floor Area**" for any Non-Residential Property means the total square footage of the building(s) located on such property, measured from outside wall to outside wall, exclusive of overhangs, porches, patios, carports, or similar spaces attached to the building but generally open on at least two sides. The determination of Non-Residential Floor Area shall be made by reference to the building permit(s) issued for such Assessor's Parcel.

"**Non-Residential Property**" means all Assessor's Parcels of Developed Property for which a building permit(s) was issued for a non-residential use.

"**Non-Waterfront Property**" means all Assessor's Parcels of Single Family Detached Property that are not classified as Waterfront Property.

"Occupied Residential Property" means all Assessor's Parcels of Residential Property which have been sold to, or occupied by, the initial occupant.

"Property Owner Association Property" means, for each Fiscal Year, any Assessor's Parcel within the boundaries of CFD No. 4 that was owned by or irrevocably offered for dedication to a property owner association, including any master or sub-association, as of January 1 of the previous Fiscal Year.

"Proportionately" means that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels of Developed Property. For Undeveloped Property, "Proportionately" means that the ratio of the actual Special Tax levy per Acre to the Maximum Special Tax per Acre is equal for all Assessor's Parcels of Undeveloped Property.

"Public Property" means, for each Fiscal Year, (i) any property within the boundaries of CFD No. 4 that was owned by or irrevocably offered for dedication to the federal government, the State, the City or any other public agency as of January 1 of the previous Fiscal Year; provided however that any property leased by a public agency 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; or (ii) any property within the boundaries of CFD No. 4 that was encumbered, as of January 1 of the previous Fiscal Year, by an unmanned utility easement making impractical its utilization for other than the purpose set forth in the easement.

"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 dwelling units.

"Residential Floor Area" for any Residential Property means all of the square footage of living area within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be made by reference to the building permit(s) issued for each dwelling unit prior to it being classified as Occupied Residential Property.

"Single Family Attached Property" means all Assessor's Parcels of Residential Property for which building permits have been issued for attached residential units.

"Single Family Detached Property" means all Assessor's Parcels of Residential Property for which building permits have been issued for detached residential units.

"Special Tax" means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Developed Property and Undeveloped Property to fund the Special Tax Requirement and the Contingent Special Tax Requirement.

"Special Tax Requirement" means that amount required in any Fiscal Year for CFD No. 4 to: (i) pay directly for landscaping, canal maintenance, storm drain filtration maintenance, and code enforcement services; (ii) pay Administrative Expenses; less (iii) a credit for funds available to reduce the annual Special Tax levy, as determined by the CFD Administrator.

"State" means the State of California.

"Taxable Property" means all of the Assessor's Parcels within the boundaries of CFD No. 4 which are not exempt from the Special Tax pursuant to law or Section E below.

"Undeveloped Property" means, for each Fiscal Year, all Taxable Property not classified as Developed Property.

"Waterfront Property" means all Assessor's Parcels of Single Family Detached Property that, as determined by the CFD Administrator (i) are contiguous to open water or channels of water, or (ii) have a minimum distance to open water or channels of water of no more than 50 feet and are contiguous to parkway or open space parcels that are contiguous to open water or channels of water.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, all Taxable Property within CFD No. 4 shall be classified as Developed Property or Undeveloped Property and shall be subject to Special Taxes in accordance with the rate and method of apportionment determined pursuant to Sections C and D below. Residential Property shall be assigned to Land Use Classes 1 through 10 based on the location, type of structure, and Residential Floor Area. Non-Residential Property shall be assigned to Land Use Class 11.

C. MAXIMUM SPECIAL TAX RATE

1. Developed Property

a. Maximum Special Tax

The Maximum Special Tax for Fiscal Year 2004-2005 for each Land Use Class is shown below in Table 1.

TABLE 1

**Maximum Special Taxes for Developed Property
For Fiscal Year 2004-2005
Community Facilities District No. 4**

Land Use Class	Description	Waterfront / Non-Waterfront	Residential Floor Area	Maximum Special Tax
1	Single Family Detached Property	Waterfront	≥ 3,500 SF	\$3,746 per unit
2	Single Family Detached Property	Waterfront	3,100 – 3,499 SF	\$3,443 per unit
3	Single Family Detached Property	Waterfront	< 3,100 SF	\$3,235 per unit
4	Single Family Detached Property	Non-Waterfront	≥ 3,100 SF	\$3,213 per unit
5	Single Family Detached Property	Non-Waterfront	2,700 – 3,099 SF	\$2,810 per unit
6	Single Family Detached Property	Non-Waterfront	< 2,700 SF	\$2,568 per unit
7	Single Family Attached Property	NA	≥ 1,800 SF	\$2,022 per unit
8	Single Family Attached Property	NA	1,400 – 1,799 SF	\$1,640 per unit
9	Single Family Attached Property	NA	1,000 – 1,399 SF	\$1,407 per unit
10	Single Family Attached Property	NA	< 1,000 SF	\$1,193 per unit
11	Non-Residential Property	NA	NA	\$0.6366 per square foot of Non-Residential Floor Area

b. Expected Special Tax

The Expected Special Tax for Fiscal Year 2004-2005 for each Land Use Class is shown below in Table 2.

TABLE 2

**Expected Special Taxes for Developed Property
For Fiscal Year 2004-2005
Community Facilities District No. 4**

Land Use Class	Description	Waterfront / Non-Waterfront	Residential Floor Area	Expected Special Tax
1	Single Family Detached Property	Waterfront	≥ 3,500 SF	\$3,282 per unit
2	Single Family Detached Property	Waterfront	3,100 – 3,499 SF	\$3,017 per unit
3	Single Family Detached Property	Waterfront	< 3,100 SF	\$2,834 per unit
4	Single Family Detached Property	Non-Waterfront	≥ 3,100 SF	\$2,815 per unit
5	Single Family Detached Property	Non-Waterfront	2,700 – 3,099 SF	\$2,462 per unit
6	Single Family Detached Property	Non-Waterfront	< 2,700 SF	\$2,250 per unit
7	Single Family Attached Property	NA	≥ 1,800 SF	\$1,771 per unit
8	Single Family Attached Property	NA	1,400 – 1,799 SF	\$1,437 per unit
9	Single Family Attached Property	NA	1,000 – 1,399 SF	\$1,232 per unit
10	Single Family Attached Property	NA	< 1,000 SF	\$1,046 per unit
11	Non-Residential Property	NA	NA	\$0.5064 per square foot of Non-Residential Floor Area

c. Increase in the Maximum Special Tax and Expected Special Tax

On each July 1, commencing on July 1, 2005, the Maximum Special Tax and the Expected Special Tax shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

d. Multiple Land Use Classes

In some instances an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Expected Special Tax levied on an Assessor's Parcel shall be the sum of the Expected Special Taxes for all Land

Use Classes located on that Assessor's Parcel. The Maximum Special Tax that can be levied on an Assessor's Parcel shall be the sum of the Maximum Special Taxes that can be levied for all Land Use Classes located on that Assessor's Parcel.

2. Undeveloped Property

a. Maximum Special Tax

The Fiscal Year 2004-2005 Maximum Special Tax for Undeveloped Property shall be \$26,352 per Acre.

b. Increase in the Maximum Special Tax

On each July 1, commencing on July 1, 2005, the Maximum Special Tax for Undeveloped Property shall be increased by an amount equal to two percent (2%) of the amount in effect for the previous Fiscal Year.

D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX

Commencing with Fiscal Year 2004-2005 and for each following Fiscal Year, the Council shall levy the Special Tax until the amount of Special Taxes equals the Special Tax Requirement and the Contingent Special Tax Requirement, if any. The Special Tax shall be levied each Fiscal Year as follows:

First: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Expected Special Tax as needed to satisfy the Special Tax Requirement;

Second: 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 Undeveloped Property at up to 100% of the Maximum Special Tax for Undeveloped Property;

Third: If the Contingent Special Tax Requirement is greater than zero, then the Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Maximum Special Tax as needed to satisfy the Special Tax Requirement and the Contingent Special Tax Requirement.

Notwithstanding the above, under no circumstances will the Special Tax levied against any Assessor's Parcel of Residential Property for which an occupancy permit for private residential use has been issued be increased by more than ten percent as a consequence of delinquency or default by the owner of any other Assessor's Parcel within CFD No. 4.

E. EXEMPTIONS

No Special Tax shall be levied on Property Owner Association Property or Public Property. However, should an Assessor's Parcel no longer be classified as Property Owner Association Property or Public Property, its tax-exempt status will be revoked.

F. APPEALS AND INTERPRETATIONS

Any landowner or resident may file a written appeal of the Special Tax on his/her property with the CFD Administrator, provided that the appellant is current in his/her payments of Special Taxes. During the pendency of an appeal, all Special Taxes previously levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination. If the CFD Administrator agrees with the appellant, the CFD Administrator shall eliminate or reduce the Special Tax on the appellant's property and/or provide a refund to the appellant. If the CFD Administrator disagrees with the appellant and the appellant is dissatisfied with the determination, the appellant then has 30 days in which to appeal to the Council by filing a written notice of appeal with the City Clerk, provided that the appellant is current in his/her payments of Special Taxes. The second appeal must specify the reasons for its disagreement with the CFD Administrator's determination.

Interpretations may be made by the Council by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment.

G. MANNER OF COLLECTION

The Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes; provided, however, that CFD No. 4 may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on delinquent Assessor's Parcels as permitted by the Act.

H. TERM OF SPECIAL TAX

The Special Tax shall be levied as long as necessary to meet the Special Tax Requirement.

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EXHIBIT B

**CITY OF OXNARD
COMMUNITY FACILITIES DISTRICT NO. 4
(SEABRIDGE AT MANDALAY BAY)**

MAXIMUM SPECIAL TAX RATES FOR DEVELOPED PROPERTY

Land Use Class	Description	Waterfront / Non-Waterfront	Assigned Special Tax
1	Single Family Detached Property ($\geq 3,500$ SF)	Waterfront	\$3,746 per unit
2	Single Family Detached Property (3,100 – 3,499 SF)	Waterfront	\$3,443 per unit
3	Single Family Detached Property ($< 3,100$ SF)	Waterfront	\$3,235 per unit
4	Single Family Detached Property ($\geq 3,100$ SF)	Non-Waterfront	\$3,213 per unit
5	Single Family Detached Property (2,700 – 3,099 SF)	Non-Waterfront	\$2,810 per unit
6	Single Family Detached Property ($< 2,700$ SF)	Non-Waterfront	\$2,568 per unit
7	Single Family Attached Property ($\geq 1,800$ SF)	NA	\$2,022 per unit
8	Single Family Attached Property (1,400 – 1,799 SF)	NA	\$1,640 per unit
9	Single Family Attached Property (1,000 – 1,399 SF)	NA	\$1,407 per unit
10	Single Family Attached Property ($< 1,000$ SF)	NA	\$1,193 per unit
11	Non-Residential Property	NA	\$0.6366 per square foot of Non-Residential Floor Area

EXHIBIT C

**CITY OF OXNARD
COMMUNITY FACILITIES DISTRICT NO. 4
(SEABRIDGE AT MANDALAY BAY)**

EXPECTED SPECIAL TAX RATES FOR DEVELOPED PROPERTY

Land Use Class	Description	Waterfront / Non-Waterfront	Assigned Special Tax
1	Single Family Detached Property (\geq 3,500 SF)	Waterfront	\$3,282 per unit
2	Single Family Detached Property (3,100 – 3,499 SF)	Waterfront	\$3,017 per unit
3	Single Family Detached Property ($<$ 3,100 SF)	Waterfront	\$2,834 per unit
4	Single Family Detached Property (\geq 3,100 SF)	Non-Waterfront	\$2,815 per unit
5	Single Family Detached Property (2,700 – 3,099 SF)	Non-Waterfront	\$2,462 per unit
6	Single Family Detached Property ($<$ 2,700 SF)	Non-Waterfront	\$2,250 per unit
7	Single Family Attached Property (\geq 1,800 SF)	NA	\$1,771 per unit
8	Single Family Attached Property (1,400 – 1,799 SF)	NA	\$1,437 per unit
9	Single Family Attached Property (1,000 – 1,399 SF)	NA	\$1,232 per unit
10	Single Family Attached Property ($<$ 1,000 SF)	NA	\$1,046 per unit
11	Non-Residential Property	NA	\$0.5064 per square foot of Non-Residential Floor Area

EXHIBIT D

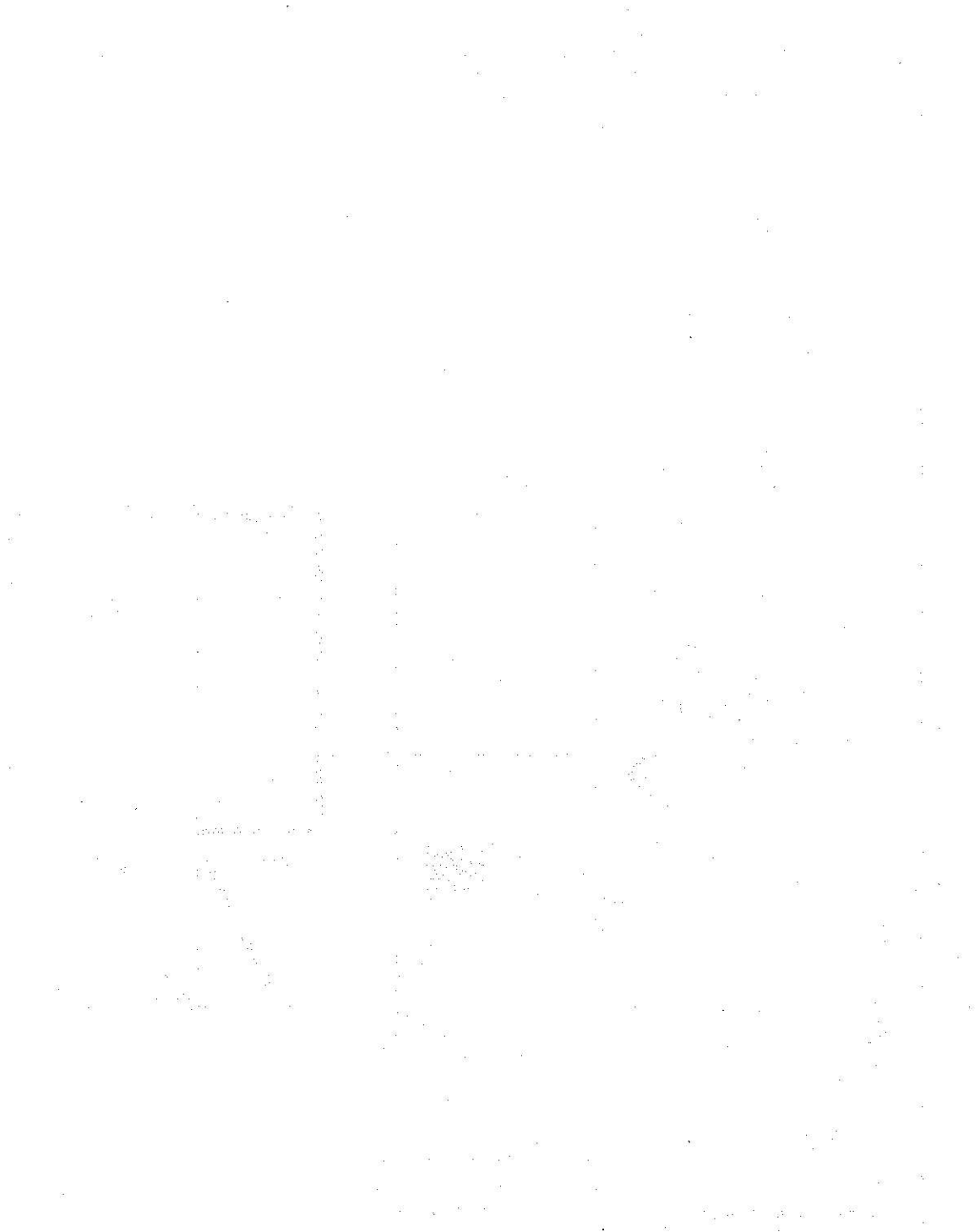
**CITY OF OXNARD
COMMUNITY FACILITIES DISTRICT NO. 4
(SEABRIDGE AT MANDALAY BAY)**

**MAXIMUM SPECIAL TAX FOR UNDEVELOPED PROPERTY, TAXABLE PROPERTY
OWNER ASSOCIATION PROPERTY, AND TAXABLE PUBLIC PROPERTY**

Description	Maximum Special Tax
Undeveloped Property, Taxable Property Owner Association Property, and Taxable Public Property	\$26,352 per Acre

EXHIBIT E

BOUNDARY MAP



PROPOSED BOUNDARIES OF
COMMUNITY FACILITIES DISTRICT NO. 4
(SEABRIDGE AT MANDALAY BAY)
OF THE CITY OF OXNARD
VENTURA COUNTY
STATE OF CALIFORNIA

(1) Filed in the office of the City Clerk of the City Council
this ____ day of _____, 2____

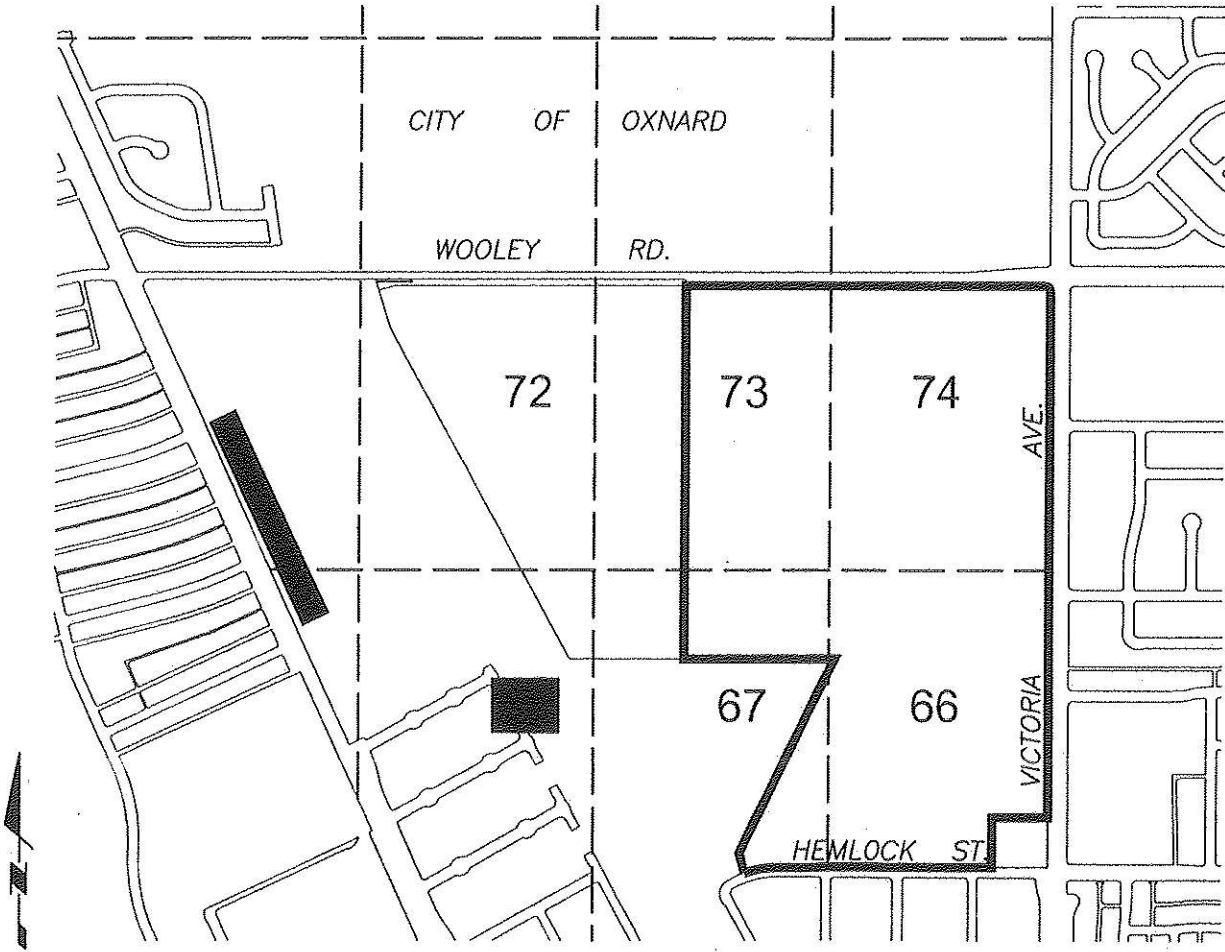
Jill A. Beaty
Acting City Clerk of the City Council

(2) I hereby certify that the within map showing the
proposed boundaries of Community Facilities
District No. 4 of the City of Oxnard, Ventura County,
State of California, was approved by the City
Council at a regular meeting thereof, held on
this ____ day of _____, 2____ by
its Resolution No. _____.

Jill A. Beaty
Acting City Clerk of the City Council

(3) Filed this ____ day of _____, 2____ at
the hour of ____ o'clock __m, in Book ____
of Maps of Assessment and Community Facilities Districts
at page ____ and as Instrument No. _____, in
the office of the County Recorder of Ventura County,
State of California.

Philip J. Schmit, County Recorder of Ventura County
by _____



LEGEND

	LOT LINE
	PROPOSED C.F.D. BOUNDARY

PREPARED BY:
JENSEN DESIGN & SURVEY INC.

PROPOSED BOUNDARIES OF
COMMUNITY FACILITIES DISTRICT NO. 4
(SEABRIDGE AT MANDALAY BAY)
OF THE CITY OF OXNARD
VENTURA COUNTY
STATE OF CALIFORNIA

VENTURA COUNTY ASSESSOR PARCEL NUMBERS
INCLUDED WITHIN PROPOSED C.F.D. BOUNDARY

188-0-110-145
188-0-110-495
188-0-110-505

Reference is hereby made to the assessor maps
of the County of Ventura for an exact description
of the lines and dimensions of each lot and
parcel.

PREPARED BY:
JENSEN DESIGN & SURVEY INC.