

RESOLUTION NO. 15,326

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD, CALIFORNIA, DECLARING ITS INTENTION TO ESTABLISH COMMUNITY FACILITIES DISTRICT NO. 8 (SAKIOKA FARMS BUSINESS PARK), AUTHORIZE THE LEVY OF A SPECIAL TAX WITHIN SAID DISTRICT AND DESIGNATE CERTAIN PROPERTY FOR FUTURE ANNEXATION TO SAID DISTRICT

WHEREAS, the City Council (the "City Council") of the City of Oxnard (the "City") has received a petition signed by the owner of certain property (the "Owner") requesting the establishment of City of Oxnard Community Facilities District No. 8 (Sakioka Farms Business Park) (the "District") pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, commencing with Section 53311 of the Government Code of the State of California (the "Act"); and

WHEREAS, the City Council intends to finance certain public services, including fire protection services (the "Fire Protection Services"), and, but only if such services are not funded and provided through private parties or organizations, the maintenance of landscaping within public rights of way, the maintenance of drainage facilities, including the water quality components of the drainage facilities, and weed control related to development of the Property ("Contingent Services," and together with the Fire Protection Services, the "Services"), that are in addition to those provided in the territory within the District prior to the formation of the District and do not supplant services already available within the territory included in the District, through the formation of the District subject to the levy of a special tax to pay for such services, approved at an election held within the boundaries of the District; and

WHEREAS, the Owner has also petitioned to institute proceedings to designate a future annexation for certain other property (the "Future Annexation Area") under and pursuant to the terms of the Act for the purpose of financing the Services;

NOW, THEREFORE, the City Council of the City of Oxnard, does resolve as follows:

PART 1. The City Council hereby determines to institute proceedings for the formation of a community facilities district and the designation of the Future Annexation Area for future annexation to the District under the terms of the Act. The exterior boundaries of the community facilities district are hereby specified and described to be as shown on that certain map now on file in the office of the City Clerk entitled "Map of Proposed Boundaries, City of Oxnard Community Facilities District No. 8 (Sakioka Farms Business Park)" which map indicates by a boundary line the extent of the territory included in the proposed community facilities district and shall govern for all details as to the extent of the District. On the original and one copy of the map of such District on file in the City Clerk's office, the City Clerk shall endorse the certificate evidencing the date and adoption of this Resolution. The City Clerk shall file the original of such map in her office and, within fifteen (15) days after the adoption of this Resolution, the City Clerk shall file a copy of such map so endorsed in the records of the County Recorder, County of Ventura, State of California.

PART 2. The area to be designated for future annexation to the District shall be known as part of the “Future Annexation Area of City of Oxnard Community Facilities District No. 8 (Sakioka Farms Business Park)” and will be annexed into the District only upon the unanimous approval of the owner or owners of each parcel or parcels at the time that the parcel or parcels are annexed. The City intends to designate the Future Annexation Area as a future annexation to the proposed District pursuant to the terms of the Act. The boundaries of the proposed Future Annexation Area are hereby specified and described to be as shown on that certain map described in Part 1 above and now on file in the office of the City Clerk.

PART 3. The name of the proposed community facilities district shall be “City of Oxnard Community Facilities District No. 8 (Sakioka Farms Business Park).”

PART 4. The types of services proposed to be provided for, and financed by, the proposed District, and in the future when annexed, the Future Annexation Area, include fire protection labor and personnel services, including, but not limited to, salary, medical, benefits, pension expenses (the “Fire Protection Services”), and, but only if such services are not funded and provided through private parties or organizations, the maintenance of landscaping within public rights of way, the maintenance of drainage facilities, including the water quality components of the drainage facilities, and weed control related to development of the Property (“Contingent Services,” and together with the Fire Protection Services, the “Services”), which Services are in addition to and do not supplant those services already provided in the territory within the proposed District prior to the establishment of the District, or provided in the territory of the Future Annexation Area prior to annexation to the District.

PART 5. Except where funds are otherwise available, it is the intention of the City Council to levy annually, in perpetuity, in accordance with procedures contained in the Act, a special tax (the “Special Tax”) sufficient to finance the cost of providing the Services, the costs of administering the levy and collection of the Special Tax and all other costs of the levy of the Special Tax, including any foreclosure proceedings, legal, fiscal, and financial consultant fees, election costs, and all other administrative costs of the tax levy. The Special Tax will be secured by the recordation of a continuing lien against all taxable and nonexempt real property in the proposed District, and, when annexed, the taxable property within the Future Annexation Area.

The rate and method of apportionment (the “RMA”) and manner of collection of the Special Tax to be levied on parcels of taxable property within the proposed District shall be as described in detail and set forth in Exhibit “A” attached hereto and by this reference made a part hereof. The RMA provides sufficient detail to allow each owner of nonexempt real property within the proposed District to estimate the maximum amount that such person will have to pay for the Services. The Special Tax is apportioned to each parcel on the foregoing basis pursuant to Section 53325.3 of the Act and as described in the RMA and such Special Tax is not levied on or based upon the value or ownership of real property.

Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the Streets and Highways Code of the State of California, a continuing lien to secure each levy of the Special Taxes shall attach to all nonexempt real property in the proposed District, and, when annexed, the proposed Future Annexation Area, and that lien shall continue in force and effect until collection of the Special Taxes ceases.

PART 6. Pursuant to Section 53340 of the Act, and except as provided in Section 53317.3 of the Act, properties of entities of the state, federal, and local governments shall be exempt from the levy of the Special Tax.

PART 7. The City Council finds that the proposed Services described in Part 4 hereof are necessary to meet increased demands placed upon the City as a result of new development occurring within the boundaries of the proposed District, and, when annexed, the Future Annexation Area.

PART 8. A public hearing (the "Hearing") on the establishment of the District, the designation of the Future Annexation Area, and the proposed RMA of the Special Tax shall be held on June 16, 2020 at 6:00 p.m., or as soon thereafter as practicable, at the chambers of the City Council of the City of Oxnard, 305 West Third Street, Oxnard, CA 93030. At the time and place set forth for the Hearing, any interested person, including all persons owning lands or registered to vote within the proposed District or the Future Annexation Area may appear or be heard. Any protests may be made orally or in writing, except that any protests pertaining to the regularity or sufficiency of such proceedings shall be in writing and shall clearly set forth the irregularities and defects to which the objection is made. All written protests shall be filed with the City Clerk on or before the time fixed for such Hearing, and any written protest may be withdrawn in writing at any time before the conclusion of such Hearing. If written protests against the formation of the District or the designation of the Future Annexation Area are filed by (a) fifty percent (50%) or more of the registered voters, or six (6) registered voters, whichever is greater, residing within the proposed District, or the area proposed to be annexed in the future, or (b) the owners of one-half ($\frac{1}{2}$) or more of the area of land included within the proposed District, or the area proposed to be annexed in the future, the proceedings shall be abandoned. If said majority protest is limited to certain types of services or certain provisions of the special tax, those services or those provisions of the tax must be eliminated by the City Council.

PART 9. Each City officer who is or will be responsible for the District, if it is established, is hereby directed to study the proposed District and Future Annexation Area and, at or before the time of the above-mentioned Hearing, file a report with the City Council, and which is to be made a part of the record of the Hearing, containing a brief description of the District and his or her estimate of the cost of providing additional fire protection services [and maintenance and lighting of landscaping, parkways, streets, roads and open space services] within the boundary of the District. The Finance Director is directed to estimate or cause the estimation of the fair and reasonable cost of all incidental expenses, including all costs associated with the creation of the District, determination of the amount of any Special Taxes, collection of any Special Taxes, or costs otherwise incurred in order to carry out the authorized purposes of the City with respect to the District.

PART 10. The City Clerk is hereby directed to publish a notice ("Notice") of the Hearing pursuant to Section 6061 of the Government Code in a newspaper of general circulation published in the area of the proposed District and Future Annexation Area. Such Notice shall contain the text or a summary of this Resolution, state the time and place of the Hearing, a statement that the testimony of all interested persons or taxpayers will be heard, a description of the protest rights of the registered voters and landowners in the proposed Community Facilities District No. 8 (Sakioka Farms Business Park), as provided in Section 53322 of the Act and a

description of the proposed voting procedure for the election required by the Act. Such publication shall be completed at least seven (7) days prior to the date of the Hearing.

PART 11. The voting procedures to be followed in conducting the special election on the proposition with respect to the levy of special taxes on the land within proposed District to fund the Services, if the District is established and such special election (the "Election") are held, shall be as follows:

(a) If at least 12 persons have been registered to vote within the territory of the proposed District for each of the ninety (90) days preceding the close of the Hearing, the vote in the Election shall be by the registered voters of the District with each voter having one vote. In that event, the Election shall be conducted by the City Clerk (the "Election Official") and shall be held on a date selected by the City Council in conformance with the provisions of Section 53326 of the Act and pursuant to the provisions of the Elections Code of the State of California governing elections of cities, insofar as they may be applicable, and pursuant to said Section 53326 the ballots for the Election shall be distributed to the qualified electors of the proposed District by mail with return postage prepaid, and the Election shall be conducted as a mail ballot election.

(b) If at the time of the close of the Hearing, and for at least the preceding ninety (90) days, less than 12 persons have been registered to vote within the territory of the proposed District, and pursuant to Section 53326 of the Act, the vote is therefore to be by the landowners of the proposed District, with each landowner of record at the close of the Hearing having one vote for each acre or portion of an acre of land that he or she owns within the proposed District, the Election shall be conducted by the Election Official as follows:

(1) The Election shall be held on the earliest date, following the Hearing and adoption of a resolution submitting the proposition of the levy of special taxes to fund the Services, upon which such Election can be held pursuant to said Section 53326 which may be selected by the City Council, or such earlier date as the owners of land within the proposed District and the Election Official agree and concur is acceptable.

(2) Pursuant to said Section 53326, the Election may be held earlier than ninety (90) days following the close of the Hearing if the qualified electors of the proposed District waive the time limits for conducting the elections set forth in said Section 53326 by unanimous written consent and the Election Official concurs in such earlier election date as shall be consented to by the qualified electors.

(3) Pursuant to said Section 53326, ballots for the Election shall be distributed to the qualified electors by the Election Official by mail with return postage prepaid, or by personal service.

(4) Pursuant to applicable sections of the Elections Code of the State of California governing the conduct of mail ballot elections of cities, and the City, the Election Official shall, among other things, mail or deliver or cause to be mailed or delivered to each qualified elector an official ballot in a form specified by the City Council in the resolution calling

the Election, and a return identification envelope with prepaid postage thereon addressed to the Election Official for returning voted official ballots.

(5) The official ballot to be mailed or delivered by the Election Official to each landowner-voter shall have printed or typed thereon the name of the landowner-voter and the number of votes to be voted by the landowner-voter and shall have appended to it a certification to be signed by the person voting the official ballot which shall certify that the person signing the certification is the person who voted the official ballot, that he or she has been authorized to vote such official ballot on behalf of the landowner-voter and if the landowner-voter is other than a natural person, that he or she is an officer of or other person affiliated with the landowner-voter entitled to vote such official ballot.

(6) The return identification envelope mailed or delivered by the Election Official to each landowner-voter shall have printed or typed thereon the following: (i) the name of the landowner, (ii) the address of the landowner, (iii) a declaration under penalty of perjury stating that the voter is the landowner or the authorized representative of the landowner entitled to vote the enclosed ballot and is the person whose name appears on the identification envelope, (iv) the printed name and signature of the voter, (v) the address of the voter, (vi) the date of signing and place of execution of said declaration, and (vii) a notice that the envelope contains an official ballot and is to be opened only by the Election Official.

(7) The instruction to voter form to be mailed or delivered by the Election Official to the landowner-voters shall inform them that the official ballots shall be returned to the Election Official properly voted as provided thereon and with the certification appended thereto properly completed and signed in the sealed return identification envelope with the certification thereon completed and signed and all other information to be inserted thereon properly inserted by the hour on the date of the Election which is specified by the Election Official for the receipt of ballots; provided that if all qualified voters have voted, the Election may be closed by the Election Official.

(8) Upon receipt of the return identification envelopes which are returned prior to the voting deadline on the date of the Election, the Election Official shall canvass the votes cast in the Election, and shall file a statement with the City Council as to the results of such canvass and the election on each proposition set forth in the official ballot.

The procedures set forth in this section for conducting the Election, if held, may be modified as the City Council may determine to be necessary or desirable.

PART 12. The Future Annexation Area will be annexed into the District only at such time as the District receives unanimous written approval to be annexed from the owner or owners of each parcel or parcels of the portion of the Future Annexation Area proposed to be annexed at that time.

PART 13. The City may accept advances of funds from any sources, including private persons or private entities, and is authorized and directed to use such funds for any authorized purpose, including any cost incurred by the City in creating the District. The City may enter into an agreement to repay all of such funds as are not expended or committed for any authorized

Resolution No. 15,326
[CFD No. 8 (Sakioka Farms Business Park)]
May 5, 2020

purpose at the time of the election on the levy of the Special Tax, if the proposal to levy such tax should fail, and at its option to repay any or all of such funds advanced if the levy of the Special Tax shall be approved by the qualified electors of the proposed District.

PART 14. Pursuant to Section 53329.5 of the Act and except as provided in the RMA, the City Council finds that the public interest will not be served by allowing the property owners within the District to enter into a contract in accordance with subdivision (a) of that section, and that the property owners shall not be permitted to elect to perform the work and enter into a written contract with the City for the provision of the Services pursuant to said Section 53329.5 except as provided in the RMA.

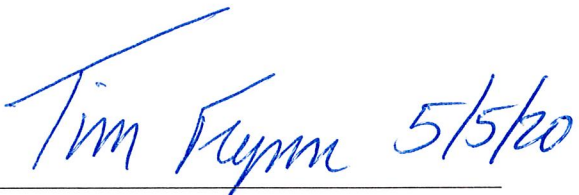
The foregoing Resolution was adopted at a regular meeting of the City Council of the City of Oxnard, State of California, held on the 5th day of May, 2020, by the following vote:

AYES: Councilmembers Basua, Flynn, Lopez, MacDonald, Madrigal, Perello and Ramirez.

NOES: None.

ABSTAIN: None.

ABSENT: None.




Tim Flynn, Mayor

ATTEST:



Michelle Ascencion, City Clerk

APPROVED AS TO FORM:

 5/5/2020

Stephen M. Fischer, City Attorney

Resolution No. 15,326
[CFD No. 8 (Sakioka Farms Business Park)]
May 5, 2020

EXHIBIT A

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

EXHIBIT A

**CITY OF OXNARD
Community Facilities District No. 8
(Sakioka Farms Business Park)**

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax shall be levied and collected in City of Oxnard Community Facilities District No. 8 (Sakioka Farms Business Park) (the "District") each fiscal year, in an amount determined by the application of the procedures described below. All of the Taxable Property (as defined below) in the District, unless exempted by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

I. DEFINITIONS

The terms used herein shall 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 in the Assessor's Data for each Assessor's Parcel. In the event the Assessor's Parcel Map or Assessor's Data shows no acreage, the Acreage for any Assessor's parcel shall be determined by the District Administrator based upon the applicable final map, parcel map, condominium plan, or other recorded County parcel map or calculated using available spatial data and GIS. The square footage of an Assessor's Parcel is equal to the Acreage of such parcel multiplied by 43,560.

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

"Administrative Expenses" means the following actual or reasonably estimated costs directly related to the administration of the District: the costs of computing the Annual Special Tax Requirement and the annual Special Tax and of preparing the annual Special Tax collection schedules; the costs of collecting the Special Taxes, including any charges levied by the County Auditor's Office, Tax Collector's Office or Treasurer's Office; the costs of the City or designee in complying with the disclosure requirements of the California Government Code (including the Act), including public inquiries regarding the Special Taxes; the costs of the City or designee related to an appeal of the Special Tax; and the costs of commencing and pursuing to completion any foreclosure action arising from delinquent Special Taxes in the District. Administrative Expenses shall also include costs related to the formation of the District and of annexing territory to the District as well as any amounts advanced by the City for any administrative purposes of the District and an allocable share of the salaries of City staff and an allocable portion of City overhead costs relating to the foregoing, or costs of the City in any way related to the establishment or administration of the District.

"Annual Services Costs" means the amounts required to fund Fire Protection Services authorized to be funded by the District, which amount for Fiscal Year 2020/21 is equal to \$300,000 and is subject to the Tax Escalation Factor for each Fiscal Year thereafter.

“Annual Special Tax Requirement” means that amount with respect to each Tax Zone determined by the Council or designee as required in any Fiscal Year to pay: (1) the Administrative Expenses, (2) the Annual Services Costs, (3) the Contingent Special Tax Requirement, (4) any amount required to establish or replenish any reserve or replacement fund established in connection with the District until the funds held in reserve equal the Expected Special Tax Revenue for that Fiscal Year, (5) reasonably anticipated delinquent Special Taxes based on the delinquency rate for Special Taxes levied in the previous Fiscal Year, and (6) less any amount collected for anticipated delinquencies in the previous Fiscal Year that were not utilized to fund delinquent Special Taxes.

“Assessor’s Data” means Acreage or other Parcel information contained in the records of the County Assessor.

“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.

“Backup Contingent Special Tax” means the Backup Contingent Special Tax applicable to each Assessor’s Parcel of Taxable Property, as determined in accordance with Section III below.

“Backup Special Tax” means the Backup Special Tax applicable to each Assessor’s Parcel of Taxable Property, as determined in accordance with Section III below.

“Building Permit” means a permit for new construction of a Non-Residential structure.

“City” means the City of Oxnard, County of Ventura.

“Contingent Services” means maintenance of the landscaping within public rights of way, the maintenance of drainage facilities, including the water quality components of the drainage facilities, and weed control related to development of the property.

“Contingent Special Tax” means that amount levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property to fund the Contingent Special Tax Requirement.

“Contingent Special Tax Requirement” means that amount with respect to each Tax Zone as required in any Fiscal Year if the POA is unable to pay the costs of Contingent Services incurred or otherwise payable.

“Council” means the City Council of the City, acting as the legislative body of the District.

“County” means the County of Ventura, California.

“District” means the City of Oxnard Community Facilities District No. 8 (Sakioka Farms Business Park).

“District Administrator” means an official of the City, or designee or agent or consultant, responsible for determining the Annual Special Tax Requirement and providing for the levy and collection of Special Taxes each Fiscal Year.

“Exempt Property” means all property located within the boundaries of the District that is exempt from the Special Tax pursuant to Section V below.

“Expected Contingent Special Tax Revenue” means the total expected Contingent Special Tax Revenue, as increased annually by the Tax Escalation Factor, expected within the Tax Zone, as shown in Table 2.

“Expected Special Tax Revenue” means the total expected Annual Special Tax Revenue, as increased annually by the Tax Escalation Factor, expected within the Tax Zone, as shown in Table 1.

“Finance Director” means the official of the City who is the chief financial officer or other comparable officer of the City or designee thereof.

“Fire Protection Services” means fire protection labor and personnel services, including, but not limited to, salary, medical, benefits, pension expenses, as more fully described in the resolution of intention of the District.

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

“Future Annexation Area” means the area designated for future annexation to the District as shown in the District boundary map, as may be amended from time to time.

“GIS” means a geographic information system.

“Maximum Contingent Special Tax” means the maximum Contingent Special Tax authorized for levy in any Fiscal Year that may apply to Taxable Property as described in Section III.

“Maximum Special Tax” means the maximum Special Tax authorized for levy in any Fiscal Year that may apply to Taxable Property as described in Section III.

“Non-Residential Property” means all property that is not used for people to live in and does not include Public Property.

“Parcel” means a lot or parcel with a parcel number assigned by the Assessor of the County.

“Property Owner’s Association” or “POA” means any property owner’s association established to provide Contingent Services within a Tax Zone.

“Proportionately” means that the ratio of the actual Special Tax levied in any Fiscal Year to the Maximum Special Tax authorized to be levied in that Fiscal Year is equal for all Assessor’s Parcels.

“Public Property” means property within the boundaries of the District owned by, irrevocably offered or dedicated to, or for which an easement for purposes of public right-of-way has been granted to the federal government, the State, the County, or any local government or other public agency, provided 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 according to its use.

“Special Tax” means the amount levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property to fund the Annual Special Tax Requirement.

“Tax Escalation Factor” means the percentage change in the Consumer Price Index, All Urban Consumers Los Angeles, February to February that will be applied annually after Fiscal Year 2020/21 to increase the Maximum Special Tax Rates shown in Section III. In the case that the index decreases, the Tax Escalation Factor will be zero. In the case that the index is no longer available, a comparable index may be used.

“Tax Zone” means a mutually exclusive geographic area within which the Special Tax may be levied pursuant to this Rate and Method of Apportionment. ***All of the Taxable Property within the District at the time of its formation is within Tax Zone No. 1.*** Additional Tax Zones may be created when property is annexed to the District, and a separate Maximum Special Tax shall be identified for property within the new Tax Zone at the time of such annexation. The Assessor’s Parcels included within a new Tax Zone when such Parcels are annexed to the District shall be identified by Assessor’s Parcel number in the Unanimous Approval Form that is signed by the owner(s) of the Parcels at the time of annexation.

“Taxable Property” means all Non-Residential Property within the boundary of the District that are not Exempt Property, exempt from the Special Tax pursuant to the Act or Section V below.

“Welfare Exempt Property” means all Parcels of Exempt Property within the boundaries of the District that are receiving a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code.

II. DETERMINATION OF TAXABLE PARCELS

On July 1 of each Fiscal Year, the District Administrator shall determine the valid Assessor’s Parcel Numbers for the current Fiscal Year for all Taxable Property within the District. If any Parcel numbers are no longer valid from the previous Fiscal Year, the District Administrator shall determine the new Parcel number or numbers that are in effect for the current Fiscal Year. To the extent a Parcel or Parcels of Taxable Property are subdivided, consolidated or otherwise reconfigured, the Special Tax rates shall be assigned to the new Assessor’s Parcels pursuant to Section III. The District Administrator shall also determine: (i) the Tax Zone within which each Parcel is located; (ii) the Acreage each Parcel contains; and (iii) the Annual Special Tax Requirement for the Fiscal Year; and (iv) whether a building permit for construction of a Non-Residential Property has been issued for any Assessor’s Parcel in each Tax Zone.

III. ANNUAL SPECIAL TAX - METHOD OF APPORTIONMENT

All Taxable Property shall be subject to a Special Tax defined as follows.

The Special Tax shall be levied each Fiscal Year by the District Administrator. The Annual Special Tax Requirement shall be apportioned to each Parcel of Taxable Property within the District by the method shown below after a building permit has been issued for the construction of Non-Residential Property for any Assessor’s Parcel in each Tax Zone.

- First. Determine whether a building permit has been issued for construction of Non-Residential Property in each Tax Zone.
- Second. Determine the Annual Special Tax Requirement for each Tax Zone.
- Third. Levy the Special Tax on each Parcel of Taxable Property Proportionately within each Tax

Zone, up to the Maximum Special Tax for each Tax Zone described in tables below to satisfy the Annual Special Tax Requirement for each Tax Zone.

**TABLE 1
SPECIAL TAX RATES – TAX ZONE NO. 1
FISCAL YEAR 2020/21**

Property Type	Special Tax Rate	Per	Expected Special Tax Revenue
Non-Residential Property	\$948.41	Acre	\$379,365.00

**On each July 1, commencing on July 1, 2021, the Maximum Special Tax Rate and Expected Special Tax Revenue for each Tax Zone shall be increased by the Tax Escalation Factor.*

**TABLE 2
CONTINGENT SPECIAL TAX RATES – TAX ZONE NO. 1
FISCAL YEAR 2020/21**

Property Type	Contingent Special Tax Rate	Per	Expected Contingent Special Tax Revenue
Non-Residential Property	\$746.71	Acre	\$298,682.93

**On each July 1, commencing on July 1, 2021, the Maximum Special Tax Rate and Expected Contingent Special Tax Revenue for each Tax Zone shall be increased by the Tax Escalation Factor.*

Maximum Special Taxes

The Maximum Special Tax for each Assessor’s Parcel of Taxable Property within each Tax Zone shall be the greater of the Special Tax as show in Table 1 or the Backup Special Tax.

The Maximum Contingent Special Tax for each Assessor’s Parcel of Taxable Property within each Tax Zone shall be the greater of the Contingent Special Tax as show in Table 2 or the Backup Contingent Special Tax.

Backup Special Taxes

The Backup Special Tax for each Assessor’s Parcel of Taxable Property within each Tax Zone shall be the rate per Acre that results in the Expected Special Tax Revenue for each Tax Zone.

The Backup Contingent Special Tax for each Assessor’s Parcel of Taxable Property within each Tax Zone shall be the rate per Acre that results in the Expected Contingent Special Tax Revenue for each Tax Zone.

A different Maximum Special Tax Rate may be identified in Tax Zones added to the District as a result of future annexations.

IV. FORMULA FOR PREPAYMENT OF SPECIAL TAX OBLIGATIONS

The Special Tax may not be prepaid.

V. EXEMPTIONS

Notwithstanding any other provision of this Rate and Method of Apportionment of Special Tax, no Special Taxes shall be levied on Public Property, except as otherwise provided in Sections 53317.3 and 53317.5 of the Act. Additionally, Welfare Exempt Property that is exempt under subdivision (g) of Section 214 of the Revenue and Taxation Code to the District, shall be reimbursed for Special Tax levied and paid. A property owner must provide documentation of the exemption within one calendar year after having paid the Special Taxes for which an exemption has been granted.

VI. INTERPRETATION OF RATE AND METHOD OF APPORTIONMENT

The City reserves the right to make minor administrative and technical changes to this document that do not materially affect the rate and method of apportioning the Special Tax. In addition, the interpretation and application of any section of this document shall be at the City's discretion. Interpretations may be made by the City by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Tax.

VII. MANNER AND DURATION OF SPECIAL TAX

The Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided that the City may directly bill the Special Tax, may collect the Special Tax at a different time or in a different manner if needed to meet the financial obligations of the District, and may collect delinquent Special Taxes through foreclosure or other available methods.

A Special Tax shall continue to be levied and collected within the District as required to fund the Annual Special Tax Requirement in perpetuity or so long as the Annual Services Costs are incurred to provide Fire Protection Services within the District or Contingent Services are provided within the District.

VIII. APPEAL OF SPECIAL TAX LEVY

Any property owner may file a written appeal of the Special Tax with the District Administrator claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes 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 Taxes are in error. The District Administrator shall review the appeal, meet with the appellant if the District Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the District Administrator's decision relative to the appeal, the owner may then file a written appeal with the City Council whose subsequent decision shall be final and binding on all interested parties. If the decision of the District Administrator or subsequent decision by the City Council requires the Special Taxes to be modified or changed in favor of the property owner, no cash refund shall be made for prior years' Special Taxes, but an adjustment shall be made to credit future Special Taxes.

This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

IX. Additional Special Taxes

The Special Tax mitigates the obligation of the property owners to pay for the annual cost of three firefighters (including benefits) in lieu of the property owners' specific plan obligation to dedicate a 1.5 acre site near Rice Avenue and the easterly extension of Gonzales Road for a new fire station site; provided, however, that should the development of any portion of an Assessor Parcel be for residential uses and/or schools, hospitals, nursing homes, explosive plants, refineries, high-rise buildings and other high life hazard or large fire potential occupancies, it is the intention of the District and the property owners to conduct change proceedings pursuant to Section 53331 of the Act to modify the Special Tax or add additional special taxes ("Additional Special Taxes") based upon the specific uses that are added to the Assessor Parcel for fire protection services to mitigate the obligation of the property owners for such uses. Such change proceedings shall be concluded prior to the approval of the development and/or transfer of such Assessor Parcel.

Fire Services

Fire Services	
Reserve Fund	\$300,000.00
Anticipated Delinquencies	36,000.00
Administration Costs	18,065.00
County Collection Fee	1,300.00
City Administrative Costs	20,000.00
Special Tax Consultant	4,000.00
Total	\$379,365.00
Rate per Acre (Assume 400 net taxable acres)	\$948.41

Contingent Services

Contingent Maintenance Services*	\$225,410.66
Reserve Fund	27,049.28
Anticipated Delinquencies	14,223.00
Administration Costs	
County Collection Fee	1,000.00
City Administrative Costs	30,000.00
Special Tax Consultant	1,000.00
Total	\$298,682.93
Rate per Acre (Assume 400 net taxable acres)	\$746.71

*: Reflects City adjustments to the cost estimate.

Tract 5996 - SFBP POA/CFD Maintenance Cost Estimate							Total Annual Maintenance/	
Tasks	Units	Cost (\$) Per unit Per Task	Quantity	Freq. Per Year	POA/CFD Backup Improvements	Total Improvements		
A. Landscaping								
Parkways & Medians	SF	\$0.330	347,027	1	\$114,518.91	\$114,518.91		
	Sub-Total				\$114,518.91	\$114,518.91		
B. Drainage Water Quality Improvements								
Catch Basin Filter Replacement	EA	\$2,600.00	37	0.67	\$64,133.33	\$64,133.33		
	Sub-Total				\$64,133.33	\$64,133.33		
C. Detention Basin Drainage Improvements								
Detention Basin	SF	\$0.083	513,691	1	\$42,636.35	\$42,636.35		
15' Wide Dirt Access Road	SF	\$0.130	9,362	1	\$1,217.06	\$1,217.06		
Eastern Property Line Channel	SF	\$0.083	35,000	1	\$2,905.00	\$2,905.00		
	Sub-Total				\$46,758.41	\$46,758.41		
							Total	
							\$225,410.66	