



# City of Sacramento City Council

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915 I Street, Sacramento, CA, 95814  
[www.CityofSacramento.org](http://www.CityofSacramento.org)

**Meeting Date:** 6/19/2012

**Report Type:** Consent

**Title:** Resolution of Intention: Township 9 CFD No. 2012-06

**Report ID:** 2012-00531

**Location:** District 3

**Recommendation:** Pass a Resolution of Intention establishing the Township 9 Community Facilities District No. 2012-06 and set a time and place for a public hearing on July 19, 2012.

**Contact:** Sheri Smith, Program Specialist, (916) 808-7204; Mark Griffin, Program Manager, (916) 808-8788, Finance Department

**Presenter:** None

**Department:** Finance

**Division:** Public Improvement Finance

**Dept ID:** 06001321

## **Attachments:**

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- 1-Description/Analysis
- 2-Schedule of Proceedings
- 3-Resolution of Intention
- 4-Exhibit C to Resolution \_RMA

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### **City Attorney Review**

Approved as to Form  
Joseph Cerullo  
6/13/2012 9:34:57 AM

### **City Treasurer Review**

Reviewed for Impact on Cash and Debt  
Russell Fehr  
5/31/2012 4:54:22 PM

### **Approvals/Acknowledgements**

Department Director or Designee: Leyne Milstein - 6/12/2012 10:53:01 AM



## Description/Analysis

**Issue:** Under the conditions of approval for the Township 9 Development Project (Project), the property owners are required, before recordation of the first final subdivision map, to initiate proceedings to create an assessment district or to establish a community facilities district that will fund the maintenance of public improvements. Establishing the Township 9 Community Facilities District No. 2012-06 (the District) will satisfy this requirement by authorizing the City to levy special taxes in an amount sufficient to provide funding for maintenance of roadway facilities, transit facilities, storm-water drainage vaults, parks, paseos, and landscaped areas above and beyond the standard City levels in and around the Project.

**Policy Considerations:** The recommended action will fund maintenance and repair of the amenities, facilities, and improvements within the Project that exceed standard City requirements.

### Environmental Considerations:

**California Environmental Quality Act (CEQA):** Administration and formation of the District does not constitute a project and therefore is exempt from review. (*Kaufman & Broad-South Bay, Inc. v. Morgan Hill Unified School District* (1992) 9 Cal.App.4th 464.).

**Sustainability:** There are no sustainability considerations applicable to the formation process or administration of a special district.

**Committee/Commission Action:** None

**Rationale for Recommendation:** The actions in the recommended Resolution are required by the Mello-Roos Community Facilities Act of 1982 (Government Code sections 53311-53368.3) for formation of a new district.

**Financial Considerations:** The property owners will pay all costs associated with the District. The maximum special tax for each Assessor’s Parcel shall be the amounts shown below for Fiscal Year (FY) 2012/13.

### Developed Property

Single- Family Residential	\$543 per dwelling unit
Multi-Family Residential	\$272 per dwelling unit
Non-Residential Property	\$0.27 per sq. ft. of building floor area
CP Property Tax Zone	\$10,654 total
Initial Affordable Units	exempt

Final Mapped Property \$55,106 per Acre

Undeveloped Property (Large Lot Parcels) \$55,106 per Acre

The maximum special tax will be will increase on July 1 of each fiscal year by an amount equal to the percentage change in the Consumer Price Index for the prior calendar year over the preceding calendar year. The maximum increase in any fiscal year may not exceed four percent (4%).

No tax will actually be levied in FY2012/13. The formation process sets the base, which are the amounts shown above. An actual levy is anticipated for FY2013/14.

**Emerging Small Business Development (ESBD):** None. No goods or services are being purchased.



## SCHEDULE OF PROCEEDINGS

### TOWNSHIP 9 COMMUNITY FACILITIES DISTRICT (CFD) NO. 2012-06

May 31, 2012          Final RMA and Draft ROI Report Complete to ADRS

<b>June 19, 2012</b>	<b>City Council - Resolution of Intention</b>
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June 20, 2012          Mail Notice of Hearing

July 19, 2012          City Council - Hearing, Call for Special Election

July 20, 2012          Mail Ballots

July 25, 2012          Ballots Due

July 31, 2012          City Council - Election Results & Pass for Publication  
Ordinance to Levy Tax

August 1, 2012          Record Notice of "Special Tax"

August 9, 2012          City Council - Adopt Ordinance to Levy Tax



# RESOLUTION NO.

Adopted by the Sacramento City Council

## RESOLUTION OF INTENTION TO ESTABLISH TOWNSHIP 9 COMMUNITY FACILITIES DISTRICT NO. 2012-06 AND TO LEVY A SPECIAL TAX THEREIN TO FINANCE MAINTENANCE SERVICES

### BACKGROUND

- A. The City Council has duly considered the advisability and necessity of establishing a community facilities district and levying a special tax therein to pay for maintenance and related services to be provided within the district, under the Mello-Roos Community Facilities Act of 1982 (the “Act”) and chapter 3.124 of the Sacramento City Code (“**Chapter 3.124**”).
- B. The City Council has determined that the establishment of the district is consistent with Chapter 3.124 and follows the local goals and policies concerning the use of the Act that have been adopted by the City Council and are now in effect.
- C. The City Council is fully advised in this matter.

### BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

**Section 1.** Background statements A through C are accurate.

**Section 2.** The City Council hereby proposes to establish a community facilities district under Chapter 3.124 and the Act (the “**District**”). The boundaries of the territory proposed for inclusion in the District are shown on the map entitled “Township 9 CFD No. 2012-06” attached to this resolution as Exhibit A. A map showing the proposed territory to be included in the District (the “**Boundary Map**”) is on file in the office of the City Clerk, is in the form required by section 3110 of the Streets and Highways Code, and is hereby approved. The City Clerk is directed to file a copy of the Boundary Map with the Sacramento County Clerk/Recorder within fifteen days hereafter, and in no event later than fifteen days before the hearing, for placement in the Book of Maps of Assessment and Community Facilities Districts, in accordance with section 3111 of the Streets and Highways Code.

**Section 3.** The name of the District is “Township 9 Community Facilities District No. 2012-06.”

**Section 4.** The District is being formed solely to fund the maintenance of roadway facilities, transit facilities, parks, paseos, and landscaped areas within public rights-of-way, including but not limited to hardscape, special paving features, sidewalks, irrigation facilities, plantings, lighting, soundwalls, monuments, signage, bollards, water-quality facilities, storm-water drainage vaults (e.g., CONTECH StormFilter catch basins, or equivalent), water fountains and other water features, other appurtenances within and along public rights-of-way, and for related purposes. The District will not finance capital improvements or issue bonds. The services provided by the District are set forth in Exhibit B to this resolution, all of which are as authorized by the Act and by Chapter 3.124. The District will also finance all costs and expenses normally incidental to the provision of the landscaping

maintenance and related services, including but not limited to those for elections, engineering, contract supervision, planning, legal services, and City administration.

**Section 5.** Except where funds are otherwise available, a special tax sufficient to pay for the maintenance and related services, secured by recordation of a continuing lien against all nonexempt real property in the District, will be levied annually within the District. The tax is to be collected as a separately stated item on the county property-tax bill, but the City Council reserves the right to change the method of collection at any time. The special tax is to be apportioned according to land-use classes at the annual tax rate specified in Exhibit C to this resolution, the "Rate and Method of Apportionment of Special Tax." The rate shown in section C of Exhibit C is the maximum rate. The rate may be increased for inflation under Chapter 3.124, as specified in Exhibit C. If tax collections at the stated rate exceed the amount required to pay the Special Tax Requirement (as defined in Exhibit C), then the rate may be reduced in accordance with the formula set forth in Exhibit C. The special tax will be levied and collected until the City Council determines that the need for the maintenance, and related, services no longer exists.

**Section 6.** In accordance with section 53317.3 of the Act, the City Council intends to continue levying the special tax on real property that is acquired by a public entity through a negotiated transaction or by gift or devise and is not otherwise exempt from the tax.

**Section 7.** In accordance with section 53317.5 of the Act, the City Council intends to treat the obligation to pay the special tax levied against property that is acquired by a public entity through eminent-domain proceedings as if the tax were a special annual assessment.

**Section 8.** In accordance with section 53340.1 of the Act, the City Council intends to levy the special tax on the leasehold or possessory interests in property that is owned by a public agency (and is otherwise exempt from the special tax), to be payable by the owner of the leasehold or possessory interests in the property.

**Section 9.** In accordance with section 53325.7 of the Act, the City Council intends to establish an appropriations limit for the District, as defined by subdivision (h) of section 8 of article XIIB of the California Constitution.

**Section 10.** At 6:00 p.m. on July 19, 2012, in the Council Chambers at New City Hall, 915 I Street, First Floor, Sacramento, California, the Council will hold a public hearing on the proposed establishment of the District, the territorial extent of the District, the types of services to be provided, the proposed levy of a special tax, and all other matters as set forth in this resolution. At the public hearing, any persons interested, including taxpayers, owners of property within the District, and any registered voters residing within the District, may appear and be heard, and the testimony of all interested persons for or against establishment of the proposed District, the territorial extent of the District, the types of services to be provided, the levy of the special tax within the District, or any other matters set forth herein will be heard and considered. Such protests may be made orally or in writing by any interested persons, except that protests pertaining to the regularity or sufficiency of the proceedings must be in writing and must clearly set forth the irregularities and defects to which the objection is made. The City Council may waive any irregularities in the form or content of any written protest and at the public hearing may correct minor defects in the proceedings. All written protests must be filed with the City Clerk on or before the time fixed for the public hearing, and any written protest may be withdrawn in writing at any time before the conclusion of the public hearing. If, at the conclusion of the hearing, the City Council determines to proceed with establishing the District, then the question of levying the special tax will be submitted to the qualified electors of in an election

conducted under section 53326 of the Act not less than 90 days nor more than 180 days thereafter, unless appropriate waivers pursuant to section 53326 have been filed with the City Clerk. The special tax may be levied if at least two-thirds of the votes cast upon the question of levying the tax are in favor of levying the tax.

**Section 11.** The City Council directs the Public Improvement Finance Manager of the Finance Department to prepare the report required by section 53321.5 of the Act and to file the report with the City Council at or before the time of the hearing.

**Section 12.** The City Clerk is directed to give notice of the hearing in accordance with sections 53322 and 53322.4 of the Act, as follows:

- (a) By publishing in the *Daily Recorder*, a newspaper of general circulation published in the area of the District, a notice of public hearing in the form required by the Act. The City Clerk shall do this in accordance with section 6061 of the Government Code, and the publication must be completed at least seven days before the date set for the public hearing.
- (b) By mailing to each owner of property within the District and to each registered voter residing within the District, using prepaid first-class postage, a notice of public hearing in the form required by the Act. The mailing to property owners is to be to their addresses as shown on the records of the Sacramento County Treasurer-Tax Collector or as otherwise known to the City Clerk. The mailing to registered voters is to be made to the registered voters at their addresses as shown on the records of the Sacramento County Registrar of Voters or as otherwise known to the City Clerk. The City Clerk shall complete all mailings at least fifteen days before the date set for the public hearing. The notice of hearing must include a description of the voting procedures.

**Section 13.** Exhibits A, B, and C are a part of this resolution

**Table of Contents:**

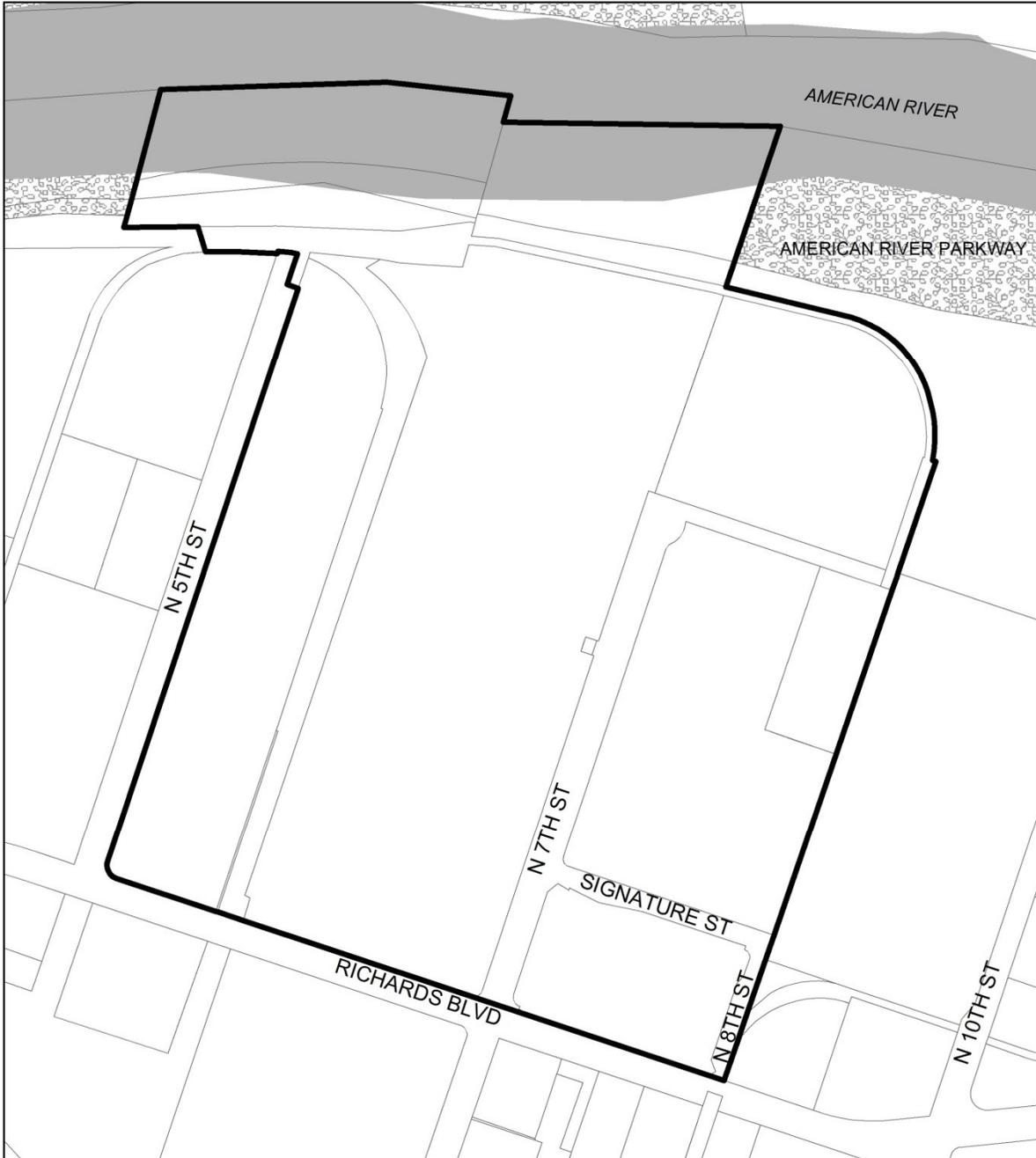
Exhibit A: Boundary Map of Proposed Boundary

Exhibit B: List of Authorized Services

Exhibit C: Rate and Method of Apportionment of Special Tax

# Boundary Map

## Proposed Township 9 CFD No. 2012-06



Township 9 Community Facilities District No. 2012-06  
List of Authorized Services

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The authorized services to be financed with the special tax are set forth below. The Special Tax may be levied to pay for any authorized services or to accumulate funds for that purpose. The primary function of the District is to fund the maintenance of roadway facilities, transit facilities, parks, paseos, storm-water drainage vaults (e.g., CONTECH StormFilter catch basins, or equivalent), and landscaped areas within public rights-of-way. Funds may be used within the territory of the District and in an adjoining park of approximately 1.3 acres at the north end of 5<sup>th</sup> Street, should this area be acquired by the City (currently owned by Sacramento County and not currently a parcel).

The District's authorized services consist of the following:

1. The repair and maintenance of roadway facilities, transit facilities, parks, paseos, and landscaped areas within public rights-of-way, including but not limited to hardscape, special paving features, sidewalks, irrigation facilities, plantings, lighting, soundwalls, monuments, signage, bollards, water-quality facilities, storm-water drainage vaults (e.g., CONTECH StormFilter catch basins, or equivalent), water fountains and other water features, and other appurtenances within and along public rights-of-way.
2. Scheduled inspection of maintenance of roadway facilities, water-quality facilities, storm-water drainage vaults, transit facilities, parks, paseos, and landscaped areas within public rights-of-way.
3. Paying utility bills associated with maintenance of roadway facilities, transit facilities, water-quality facilities, storm-water drainage vaults, parks, paseos, and landscaped areas within public rights-of-way
4. Establishing the District.
5. Collecting and administering the special tax and annually administering the District.
6. Miscellaneous costs related to any of the items described above, including costs for planning, engineering, legal services, and administration.

**CITY OF SACRAMENTO**  
**TOWNSHIP 9 COMMUNITY FACILITIES DISTRICT No. 2012-06**  
**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX**

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**RATE AND METHOD OF APPORTIONMENT FOR  
CITY OF SACRAMENTO  
TOWNSHIP 9 COMMUNITY FACILITIES  
DISTRICT NO. 2012-06**

A Special Tax as hereinafter defined will be levied on all Assessor’s Parcels in the City of Sacramento Township 9 Community Facilities District No. 2012-06 and collected each Fiscal Year commencing in Fiscal Year 2013-2014, in an amount determined by the Council, according to the method of apportionment set forth herein. All of the real property in CFD No. 2012-06, unless exempted by law or by the provisions hereof, will 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, set forth in chapter 2.5 of division 2 in title 5 of the California Government Code.

“**Administrative Expenses**” means the actual or reasonably estimated costs directly related to the formation and administration of CFD No. 2012-06 including but not limited to the costs of computing the Special Tax and preparing the annual Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Special Tax (whether by the County or otherwise); the costs to the City, CFD No. 2012-06, or any designee thereof of complying with City or CFD No. 2012-06 disclosure requirements; the costs associated with responding to public inquiries regarding the Special Tax; the costs of the City, CFD No. 2012-06, or any designee thereof related to an appeal of the Special Tax; and the City’s annual administration fees and third-party expenses.

“**Assessor**” means the Sacramento County Assessor.

“**Assessor’s Parcel**” means any real property to which an Assessor’s parcel number is assigned as shown on an Assessor’s Parcel Map.

“**Assessor’s Parcel Map**” means an official map of the Assessor that designates parcels by Assessor’s parcel number.

**“CFD Administrator”** means the official of the City, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Tax.

**“CFD No. 2012-06”** means the City of Sacramento Township 9 Community Facilities District No. 2012-06.

**“City”** means the City of Sacramento.

**“Consumer Price Index”** means the Consumer Price Index published by the U.S. Bureau of Labor Statistics for “All Items” in the San Francisco / Oakland / San Jose Area Urban Wage Earners and Clerical Workers, measured each calendar year. If this index ceases to be published, the Consumer Price Index will be another index as determined by the CFD Administrator that is reasonably comparable to the Consumer Price Index for the San Francisco Bay Area.

**“CP Property Tax Zone”** means that real property generally bounded by North 7<sup>th</sup> Street to the west, Richards Boulevard to the south, the future extension of Vine Street to the north, and identified on the Boundary Map for CFD No. 2012-06 as Assessor’s parcel numbers 001-0020-018, 001-0020-054, and 001-0020-053. The territory identified by these Assessor’s parcel numbers is subject to the annual Special Tax rate identified in Table 1 for **“CP Property”**.

**“Council”** means the City Council of the City, acting as the governing board of CFD No. 2012-06.

**“County”** means the County of Sacramento.

**“Developed Property”** means, for each Fiscal Year, all Taxable Property for which a building permit for new construction was issued as of June 30 of the previous Fiscal Year, other than the construction of a parking lot or parking structure.

**“Eligible Facilities and Services”** means facilities to be maintained and services to be financed and their territorial location, described in Exhibit A.

**“Exempt Property”** means any Assessor’s Parcel that is exempt from the Special Tax under Section E.

**“Final Mapped Property”** means, for each Fiscal Year, all Taxable Property with an approved Final Subdivision map.

**“Final Subdivision”** means a subdivision of property by recordation of a final map, parcel map, or lot-line adjustment in accordance with the Subdivision Map Act (beginning with California Government Code section 66410) or recordation of a condominium plan in accordance with California Civil Code 1352 that creates individual lots for which building permits may be issued without further subdivision.

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

**“Initial Affordable Units”** means all residential dwelling units located on Assessor’s Parcels of Residential Property, on Lot 11A, Lot 11B, and Lot 11C of the tentative map approved by City Council Resolution No. 2007-644 on August 27, 2007, that are classified as Moderate Income, Lower Income, or Very Low Income (as defined in California Health and Safety Code sections 50079.5, 50093, and 50105). However, if any Initial Affordable Units are constructed on any other lots than those described above, then the units will not be considered Initial Affordable Units and will be assigned to a Land Use Class based on the type of use.

**“Land Use Class”** means any of the classes listed in Table 1 below.

**“Large Lot Parcels”** means, for each Fiscal Year, all Taxable Property not classified as Developed Property or Final Mapped Property.

**“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 within CFD No. 2012-06.

**“Multi-Family Residential”** means multiple separate housing units for residential inhabitants contained within one building or several buildings within one or more complexes (i.e., apartment building units).

**“Non-Residential Property”** means all Assessor’s Parcels of Developed Property for which a building permit was issued for a non-residential use and includes retail, restaurant, and office uses.

**“Operations and Maintenance Budget Maximum”** means the maximum total budget for each Fiscal Year, as shown on Exhibit B, which is restricted in total, not by eligible use category, plus any use of the Reserve Fund. The Operations and Maintenance Budget Maximum will increase annually beginning July 1, 2013, and on July 1 of each Fiscal Year thereafter, by an amount equal to the percentage increase in the Consumer Price Index.

**“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 Final Mapped Property, “Proportionately” means that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor’s Parcels of Final Mapped Property. For Large Lot Parcels, “Proportionately” means that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor’s Parcels of Large Lot Parcels.

**“Public Property”** means, for each Fiscal Year, (1) any property within the boundaries of CFD No. 2012-06 that was owned by, or irrevocably offered for dedication to, the federal government, the State, the City, or any other public agency as of June 30 of the previous Fiscal Year, except that any property leased by a public agency to a private entity and subject to taxation under section 53340.1 of the Act will be taxed and classified in accordance

with its use; and (2) any property within the boundaries of CFD No. 2012-06 that was encumbered, as of June 30 of the previous Fiscal Year, by an unmanned utility easement making impractical its utilization for other than the purpose set forth in the easement.

**“Reserve Fund”** means a reserve fund to be used for maintenance costs.

**“Reserve Fund Requirement”** means an amount considered by the City in its sole discretion as necessary for prudent financial management. It will be at least \$25,000 and will not exceed 100% of the anticipated annual cost of Eligible Facilities and Services in any given Fiscal Year as of June 30 of that year.

**“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.

**“Single-Family Residential”** means buildings containing one dwelling unit located on a single lot that are individually owned, attached or detached residences (i.e., townhome unit and/or condominium units).

**“Special Tax”** means the special tax to be levied in each Fiscal Year on each Assessor’s Parcel of Developed Property to fund the Special Tax Requirement.

**“Special Tax Requirement”** means the amount required in any Fiscal Year for CFD No.2012-06 to (1) pay for Eligible Facilities and Services as shown on Exhibit A; (2) pay Administrative Expenses; and (3) fund the Reserve Fund up to the Reserve Fund Requirement as follows: in the first year an amount equal to 20% of the cost of Eligible Facilities and Services in that year plus \$25,000; and, in subsequent years, an amount not to exceed 20% of the cost of Eligible Facilities and Services for that year provided the Reserve Fund Requirement is met.

**“State”** means the State of California.

**“Taxable Property”** means all of the Assessor’s Parcels within the boundaries of CFD No. 2012-06 that are not exempt from the Special Tax by law or under Section E below.

**B. ASSIGNMENT TO LAND USE CATEGORIES**

Each Fiscal Year, all Taxable Property within CFD No. 2012-06 will be classified as Developed Property, Final Mapped Property, or Large Lot Parcels, and will be subject to Special Taxes in accordance with the rate and method of apportionment determined under Sections C and D below. Developed Property will be classified as Single-Family Residential Property, Multi-Family Residential Property, Non-Residential Property, or California Highway Patrol Property (“CP Property”). Residential Property will be assigned to Land Use Class 1 or Land Use Class 2. All Non-Residential Property will be assigned to Land Use Class 3. The CP Property will be assigned Land Use Class 4. The Maximum Special Tax for Residential Property will be based on

the number of dwelling units located on the Assessor's Parcel, as specified in Table 1 below. The Maximum Special Tax for Non-Residential Property will be based on the net as-built original square footage of building within the Assessor's Parcel. The Maximum Special Tax for CP Property will be as specified in Table 1 below.

**C. MAXIMUM SPECIAL TAX**

1. Developed Property

(a) Maximum Special Tax

The Fiscal Year 2012-2013 Maximum Special Tax for each Assessor's Parcel of Developed Property will be the amount shown below in Table 1.

**TABLE 1**

**Maximum Special Tax for Developed Property**

<b>Land Use Class</b>	<b>Description</b>	<b>FY 2012-2013 Maximum Special Tax</b>
1	Single-Family Residential Property	\$ 543 per dwelling unit
2	Multi-Family Residential Property	\$ 272 per dwelling unit
3	Non-Residential Property	\$ 0.27 per square foot of building floor area
4	CP Property Tax Zone Parcels or Successors	\$10,654 in total, calculated on a square foot basis
5	Initial Affordable Units	exempt

(b) Changes in the Maximum Special Tax

On each July 1, beginning July 1, 2013, the Maximum Special Tax will be reviewed annually by an amount equal to the percentage change in the Consumer Price Index for the prior calendar year over the preceding calendar year. The maximum increase in any Fiscal Year may not exceed 4%.

(c) Multiple Land Use Classes

In some instances an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax that can be levied on an Assessor's Parcel will be the sum of the Maximum Special Tax that can be levied for each Land Use Class located on that Assessor's Parcel. The CFD Administrator's allocation to each type of property will be final.

2. Final Mapped Property

The Fiscal Year 2012-2013 Maximum Special Tax for each Assessor's Parcel of Final Mapped Property will be \$55,106 per Acre, and will increase annually thereafter, commencing on July 1, 2013 and on July 1 of each Fiscal Year thereafter, by an amount equal to the percentage increase in the Consumer Price Index with a maximum annual increase of four percent (4%) per Fiscal Year.

3. Large Lot Parcels

The Fiscal Year 2012-2013 Maximum Special Tax for each Assessor's Parcel of Large Lot Parcels will be \$55,106 per Acre, and will increase annually thereafter, commencing on July 1, 2013 and on July 1 of each Fiscal Year thereafter, by an amount equal to the percentage increase in the Consumer Price Index with a maximum annual increase of four percent (4%) per Fiscal Year.

**D. APPORTIONMENT OF THE ANNUAL SPECIAL TAX**

Commencing with Fiscal Year 2013-2014 and for each following Fiscal Year, the Council or its designee shall determine the Special Tax Requirement and levy the Special Tax until the amount of Special Tax levy equals the Special Tax Requirement. The Special Tax will be levied each Fiscal Year as follows:

First: The Special Tax will be levied proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Maximum Special Tax.

Second: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax will be levied Proportionately on each Assessor's Parcel of Final Mapped Property, up to the Maximum Special Tax.

Third: If additional monies are needed to satisfy the Special Tax Requirement after the second step has been completed, the Special Tax will be levied proportionately on each Assessor's Parcel of Large Lot Parcels, up to the Maximum Special Tax.

**E. EXEMPTIONS**

The Special Tax will not be levied on Property Owner Association Property, Public Property, Initial Affordable Units, as defined herein, or the portions of an Assessor's Parcel developed with parking structures. If, however, an Assessor's Parcel is no longer classified as Property Owner Association Property or Public Property, then its tax-exempt status will be revoked. For portions of an Assessor's Parcel developed with a parking structure the Special Tax will be levied as defined above in Section D until issuance of a building permit for construction of a parking structure was issued as of May 1 of the previous Fiscal Year.

**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 if that the appellant is current in his/her payments of the Special Tax. During the pendency of an appeal, the Special Tax must be paid on or before the payment date established when the levy was made. The appeal must specify 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 notify the appellant in writing of the determination. If the CFD Administrator agrees with the appellant, the CFD Administrator shall do either or both of the following, as appropriate: (1) eliminate or reduce the Special Tax on the appellant's property, and (2) provide a refund to the appellant. If the CFD Administrator disagrees with the appellant and the appellant is dissatisfied with the determination, and if the appellant is current in his/her payments of the Special Tax, then the appellant may appeal to the Council by filing a written notice of appeal with the City Clerk within 30 days after receiving notice of the CFD Administrator's determination. The appeal to the Council must specify the reasons for appellant's disagreement with the CFD Administrator's determination.

The Council may, by ordinance or resolution, clarify any vagueness or ambiguity in this Rate and Method of Apportionment.

**G. MANNER OF COLLECTION**

The Special Tax will be collected in the same manner and at the same time as ordinary *ad valorem* property taxes.

**H. TERM OF SPECIAL TAX**

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

Rate and Method of Apportionment  
Township 9 Community Facilities District No. 2012-06

**EXHIBIT “A”**

Capitalized terms have the meanings ascribed to them in the Rate and Method of Apportionment.

The authorized services to be financed with the Special Tax are set forth below. The Special Tax may be levied to pay for any authorized services and to accumulate funds for that purpose. The primary function of CFD No. 2012-06 is to fund the maintenance of roadway facilities, transit facilities, parks, paseos, storm water drainage vaults (e.g., CONTECH StormFilter catch basins, or similar), and/or landscape areas within public rights-of-way. Funds may be used within the territory of CFD No. 2012-06 and in an adjoining park of approximately 1.3 acres at the north end of 5<sup>th</sup> Street, should the City acquire this area (currently owned by the County and not currently a parcel).

The authorized services for CFD No. 2012-06 consist of the following:

1. The repair and maintenance of roadway facilities, transit facilities, parks, paseos, and landscaped areas within public rights-of-way, including but not limited to hardscape, special paving features, sidewalks, irrigation facilities, plantings, lighting, soundwalls, monuments, signage, bollards, water-quality facilities, storm-water drainage vaults (e.g., CONTECH StormFilter catch basins, or equivalent), water fountains and other water features, and other appurtenances within and along public rights-of-way.
2. Scheduled inspection of maintenance of roadway facilities, water-quality facilities, storm-water drainage vaults, transit facilities, parks, paseos, and landscaped areas within public rights-of-way.
3. Paying utility bills associated with maintenance of roadway facilities, transit facilities, water-quality facilities, storm-water drainage vaults, parks, paseos, and landscaped areas within public rights-of-way
4. Establishing CFD No. 2012-06.
5. Collecting and administering the Special Tax and annually administering CFD No. 2012-06.
6. Miscellaneous costs related to any of the items described above, including costs of planning, engineering, legal services, and administration.

Rate and Method of Apportionment  
Township 9 Community Facilities District No. 2012-06

**EXHIBIT "B"**

**Operations and Maintenance Budget  
(Restricted in total, not by eligible use category)**

SECTION I: TRANSPORTATION

- Transit Station: \$ 5,207
- North 7th Street: \$ 20,688
- G Street: \$ 17,853
- Riverine: \$ 4,097
- DEF: \$ 3,748
- Signature Street: \$ 67,403
- Vine Street West: \$ 131
- BCDG Vine East: \$ 9,607
- Richards East: \$ 5,115
- Richards West: \$ 2,642
- North 5th Street: \$ 2,886
- Park Boulevard: \$ 7,397

SECTION II: PASEOS / PARKWAYS

- Transit Plaza: \$ 36,173
- Park Blvd Median: \$ 35,699
- MEW: \$ 31,658
- North 7th Street Linear Park: \$ 136,680
- Paseos: \$ 40,145

SECTION III: PARKS

- Riverfront Park: \$ 120,645
- Central Park: \$ 34,144

**SUMMARY:**

SECTION I: TRANSPORTATION:	\$ 146,773
SECTION II: PASEOS / PARKWAYS:	\$ 280,354
SECTION III: PARKS:	\$ 154,788
<u>CITY ADMINISTRATIVE COSTS (3%):</u>	<u>\$ 17,457</u>
<b>TOTAL:</b>	<b>\$ 599,373</b>