

Meeting Date: 6/24/2014

Report Type: Public Hearing

Report ID: 2014-00213

**Title: Formation Proceedings for the Curtis Park Village Community Facilities District (CFD)
No. 2014-02 (Noticed on 06/12/2014)**

Location: District 5

Recommendation: Conduct a public hearing and upon conclusion, pass 1) a Resolution of formation to establish the CFD and providing a levy a special tax; 2) a Resolution to Incur bonded indebtedness; and 3) a Resolution calling for a special mailed ballot election on July 14, 2014.

Contact: Mark Griffin, Program Manager, (916) 808-8788, Department of Finance

Presenter: Mark Griffin, Program Manager, (916) 808-8788, Department of Finance

Department: Finance

Division: Public Improvement Finance

Dept ID: 06001321

Attachments:

- 1-Description/Analysis
- 2-Background
- 3-Schedule of Proceedings
- 4-Resolution of Formation
- 5-Exhibit D - Rate and Method
- 6-Resolution of Necessity
- 7-Resolution Calling Special Election

City Attorney Review

Approved as to Form
Michael W. Voss
6/10/2014 11:47:46 AM

Approvals/Acknowledgements

Department Director or Designee: Leyne Milstein - 6/4/2014 3:51:45 PM

Description/Analysis

Issue: PDC Construction Company Inc. (Developer), the primary property owner of the Curtis Park Village development, has applied to the City to form the Curtis Park Village Community Facilities District No. 2014-02 (Improvements) (CFD) for the purpose of obtaining tax-exempt bond financing. The bond proceeds will partially reimburse the owner for the cost of public infrastructure. Approval of the CFD will authorize the City to sell bonds and to levy the special tax to pay for the bonds and public infrastructure.

Policy Considerations: The procedures under which this district is being formed are set forth in Title 5, Division 2, Chapter 2.5 of the Government Code, Sections 53311-53368.3, entitled “The Mello-Roos Community Facilities Act of 1982”. Formation of the CFD is consistent with the City’s Policies and Procedures for Use of Special Assessment and Mello-Roos Community Facilities District Financing for Infrastructure and Public Facilities, as amended, adopted August 9, 1994 by Resolution 94-491 (Mello-Roos Policy).

Environmental Considerations: Under the California Environmental Quality Act Guidelines, the formation of community facilities districts does not constitute a project and is therefore exempt from review.

Rationale for Recommendation: The actions in the recommended Resolutions are required by the Mello-Roos Community Facilities Act of 1982 in order to form a CFD.

Financial Considerations: The Developer will fund fees and improvements and be reimbursed at a later time if and when sufficient bond proceeds and special taxes are available. Reimbursements will be limited to fees and improvements that construct public improvements and otherwise comply with the Mello-Roos Policy. The special taxes will be used for the sole purpose of funding reimbursements and administrative expenses. Both uses may be paid by bond proceeds or directly from special taxes. One bond sale is planned. The sale is anticipated to occur in calendar year 2015, depending on market conditions, and will not exceed \$13 million.

There are no obligations placed on other funds of the City.

Local Business Enterprise (LBE): Not applicable.

BACKGROUND

The proposed CFD consists of approximately 54 gross developable acres encompassing 273 single-family homes in the Curtis Park Village project, 2.2 acres and 91 units dedicated to affordable senior housing, and 2.5 acres in a flex zone with up to 245 multi-family units. The affordable senior housing and multi-family units will be exempt from payment of the CFD special tax. The boundaries of the CFD also include a 6.2 acre open area to include a park and detention basin. Outside of the boundaries of the CFD, the Curtis Park Village project consists of 12.3 acres for retail commercial use and 4.9 acres dedicated to right-of-way easements.

The Developer proposes to construct the financed improvements in two phases with one bond sale being proposed. Construction of the financed improvements is estimated to be completed by 2016.

Purpose of the CFD

The proposed district will finance certain development fees and public improvements within the public right-of-way and adjacent public-utility easements of the major public roads intersecting, serving, and/or bordering the district boundary. The proposed district will also fund an off-site improvement to the southbound exit of state Highway 99 at Sutterville Road. A full description of the improvements, fees, and incidental expenses is shown as Exhibits B and C to the enclosed Resolution of Formation to form the district.

CFD Special Election Proceedings

The proposed district will be formed in compliance with the Mello-Roos Community Facilities District Act of 1982. As part of the formation proceedings, a special election on the special tax is required. In this case, where there are fewer than 12 registered voters, the vote is by landowners, with each landowner having one vote for each acre or portion of an acre owned within the proposed CFD. There are two landowners within this proposed CFD. The City is prohibited from levying the tax unless at least two-thirds of the votes cast are in favor of it.

The ballot question has three parts:

- Should the City be authorized to levy a special tax to pay for fees and infrastructure;
- Should the City be authorized to incur debt of \$13 million to be funded by the levy; and
- Should the appropriation limit of the CFD be set at \$13 million?

The appropriation limit is the amount that can be appropriated in any one year.

The ballots are due July 14. An entire schedule for the CFD proceedings is provided on Attachment 3.

Special Tax Formula

The rate and method of apportionment (RMA) of the special tax is attached as Exhibit D to the Resolution of Formation. The special tax is applied to both developed and undeveloped properties. The maximum special-tax rates for developed properties are shown in Exhibit D, Attachment 1. The initial maximum annual special-tax for single-family parcels in Fiscal Year (FY) 2014/15 ranges from \$2,400 to \$3,600 per residential unit, depending on floor space and location. The initial maximum annual special-tax for undeveloped parcels in FY2014/15 is \$25,040 per acre. Each of the maximum annual special taxes escalates two percent annually to compensate for inflation.

Tax Burden on the Land

City policy limits tax burdens to two percent of the sales price. The price points expected in the Curtis Park Village project result in a total tax burden, including property taxes and all other taxes and assessments, of between 1.47 and 1.56 percent.

Boundary Map



SCHEDULE OF FORMATION PROCEEDINGS

PROPOSED CURTIS PARK VILLAGE COMMUNITY FACILITIES DISTRICT (CFD) NO. 2014-02 (IMPROVEMENTS)

May 20, 2014	City Council – Initiate Proceedings <ul style="list-style-type: none">○ Pass Resolution Approving Agreement for Bond Counsel Services○ Pass Resolution of Intention To Form CFD and Levy Special Tax (sets hearing date and approves boundary map)○ Pass Resolution of Intention to Incur Bonded Indebtedness
May 20-28, 2014	Mail and Publish Notice of Hearing and Record Boundary Map
June 24, 2014	City Council – Public Hearing and Notice for a Special Election <ul style="list-style-type: none">○ Conduct Public Hearing○ Pass Resolution of Formation○ Pass Resolution to Incur Debt○ Pass Resolution Calling Special Election
June 25, 2014	Mail Special Election Ballots
July 14, 2014	Special Election Ballots Due
July 22, 2014	City Council <ul style="list-style-type: none">○ Pass Resolution Declaring Results of Special Election○ Pass Resolution Creating and Accounting Fund○ Pass for Publication Ordinance to Levy Special Tax
July 23, 2014	Record “Notice of Special Tax”
July 29, 2014	City Council <ul style="list-style-type: none">○ Adopt Ordinance to Levy Special Tax

RESOLUTION NO.

Adopted by the Sacramento City Council

June 24, 2014

RESOLUTION OF FORMATION ESTABLISHING CURTIS PARK VILLAGE COMMUNITY FACILITIES DISTRICT NO. 2014-02 (IMPROVEMENTS), CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, AND PROVIDING FOR THE LEVY OF A SPECIAL TAX THEREIN TO FINANCE THE CONSTRUCTION AND ACQUISITION OF CERTAIN PUBLIC FACILITIES AND FEES

BACKGROUND

- A. The City Council (Council) of the City of Sacramento (City) duly adopted its Resolution No. 2014-0124 (Resolution of Intention) on May 20, 2014, wherein the Council declared its intention to and proposed to establish a community facilities district within its jurisdictional boundaries under and pursuant to the terms and provisions of the “Mello-Roos Community Facilities Act of 1982,” being Chapter 2.5, Part 1, Division 2, Title 5 (beginning with Section 53311) of the Government Code of the State of California (Act), to be known and designated as “Curtis Park Village Community Facilities District No. 2014-02 (Improvements), City of Sacramento, County of Sacramento, State of California” (CFD), to finance the acquisition and construction of certain public capital facilities and of certain governmental fees for public capital facilities.
- B. In the Resolution of Intention, the Council approved the boundary map as provided for and described in California Streets and Highways Code Section 3110, entitled “Proposed Boundaries of Community Facilities District No. 2014-02 (Improvements), City of Sacramento, County of Sacramento, State of California” (Boundary Map) as shown in Exhibit A thereto (the same Exhibit A is also attached to this Resolution and incorporated herein by this reference), and the Boundary Map was recorded on May 23, 2014 in the Book of Maps of Assessment and Community Facilities Districts maintained by the County Recorder of the County of Sacramento in Book 116 at Page 0030.
- C. The Resolution of Intention fixed a time and place for a public hearing (Public Hearing) to be held by the Council to consider the establishment of the CFD; the authorization of a special tax to be levied and collected within the CFD (Special Tax); the proposed rate, method of apportionment, and manner of collection of the Special Tax; the facilities and fees proposed to be authorized to be paid for with the proceeds of the Special Tax; the establishment of an appropriations limit for the CFD; and all other matters set forth in the Resolution of Intention.
- D. The Manager of the Public Improvement Finance Division of the City Finance Department submitted a report (Hearing Report) to the Council on the need for, and estimated cost of, the proposed facilities to be financed directly or through the

payment of the governmental fees, and certain other matters, in accordance with the Resolution of Intention. The Council has reviewed the Hearing Report, and it is incorporated herein by this reference and made a part of the record of the Public Hearing.

- E. Pursuant to the Resolution of Intention, the Public Hearing was set by the Council for Tuesday, the 24th day of June 2014 at the hour of 6 p.m., in the Council Chambers at the Sacramento City Hall, New City Hall, at 915 "I" Street, Sacramento, California.
- G. On June 24, 2014, at or shortly after the time set for the Public Hearing, the Council opened the Public Hearing to consider the establishment of the CFD; the proposed rate, method of apportionment, and manner of collection of the Special Tax; the fees and facilities proposed to be financed; the establishment of the appropriations limit; and all other matters set forth in the Resolution of Intention. All persons interested, including all taxpayers, property owners, and registered voters within the CFD were given an opportunity to appear and to be heard, and the testimony of all interested persons and all taxpayers, property owners, and registered voters for or against the establishment of the CFD and the levy of the Special Tax, or the extent of the CFD, or the financing of any of the proposed facilities, or the financing of any of the governmental fees, or the establishment of the appropriations limit for the CFD, or any other matters set forth in the Resolution of Intention, was heard and considered.
- H. All registered voters residing within the boundaries of the proposed CFD, if any, and all owners of land within the boundaries of the proposed CFD that would not be exempt from the proposed levy of Special Tax, were allowed to submit written protests to any aspect of the proposals contained in the Resolution of Intention and permitted to withdraw their protests prior to the close of the Public Hearing.
- I. There are on file with the Clerk a proof of publication of the Notice of Public Hearing in the *DAILY RECORDER* and a Certificate of Mailing of Notice of Public Hearing showing mailed notice to the owners of land within the CFD.

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

- Section 1. The Council finds that the statements in the Background are true.
- Section 2. Except to the extent inconsistent with this Resolution, the Resolution of Intention is reaffirmed, and its provisions and findings are, to that same extent, incorporated herein by this reference.
- Section 3. The Council accepts the proof of publication of the Notice of Public Hearing and the Certificate of Mailing the Notice of Public Hearing, and finds, based thereon, that proper notice of the Public Hearing has been given in accordance with the California Government Code, and that the Public Hearing was conducted with proper and legal notice in all respects.

Section 4. The Council finds and determines that at the close of the Public Hearing, written protests, if any, to the establishment of the CFD, or to the levy of the Special Tax, or to the extent of the CFD, or to the acquisition and construction of any of the facilities described in the Resolution of Intention, or to the financing of any of the governmental fees, or to the establishment of the appropriations limit for the CFD, or to any other matters contained in the Resolution of Intention, were submitted by less than 50 percent of the registered voters, or by less than six of the registered voters, if any, whichever is more, residing within the CFD. Similarly, the Council finds that at the close of the Public Hearing, such written protests, if any, were submitted by the owners of less than one-half of the area of land in the territory proposed to be included in the CFD and not exempt from the Special Tax. Thus, the Council finds that it is not precluded, by the Act, from proceeding further in this matter. The Council hereby further orders and determines that all protests to the establishment of the CFD, or the levy of the Special Tax proposed to be levied therein, or the extent of the CFD, or the acquisition and construction of any of the described facilities, or the financing of any of the governmental fees, or the establishment of the appropriations limit for the CFD, that may have been submitted, have been considered and are hereby overruled.

Section 5. The facilities and governmental fees authorized to be financed by and through the CFD are those shown on Exhibit B attached hereto, which by this reference is incorporated herein and made a part of this Resolution. The Council finds that the authorized facilities and fees do not in any way exceed the description of the authorized facilities and fees proposed in the Resolution of Intention. All of the facilities, as well as the facilities to be financed by the fees, have an estimated useful life of five years or longer, and are facilities that the City or other governmental agencies are authorized by law to construct, own or operate, or to which they may contribute revenue; and those facilities are necessary to meet increased demands placed upon the City or upon the other governmental agencies as a result of development occurring and anticipated to occur within the CFD. This authorization to finance the acquisition and construction of facilities includes incidental expenses for the facilities comprising the costs of planning and designing the facilities, together with the costs of environmental evaluations thereof, and all costs associated with the creation of the CFD, the issuance of debt (as defined in the Act, "Debt"), the determination of the amount of any Special Taxes or the collection or payment of any Special Taxes and costs otherwise incurred in order to carry out the authorized purposes of the CFD, together with any other expenses incidental to the acquisition and construction of the facilities. A representative list of incidental expenses proposed to be incurred are set forth on Exhibit C attached hereto, which by this reference is incorporated herein and made a part of this Resolution.

- Section 6. The proposed Rate and Method of Apportionment of the Special Tax of the CFD (RMA) shall be as set forth in Exhibit D, attached hereto and incorporated herein and made a part hereof, which sets forth the rate, method of apportionment and manner of collection of the Special Tax in sufficient detail to allow each landowner or resident within the CFD to estimate the maximum amount that such person will have to pay for the acquisition and construction of the facilities and the payment of the governmental fees. The Council finds that the RMA does not in any way exceed the description of the proposed Rate and Method of Apportionment of the Special Tax described in the Resolution of Intention. As required by the Act: (1) the maximum authorized special tax for financing the acquisition and construction of the facilities and the governmental fees that may be levied against any parcel of land used for private residential purposes (which use commences no later than the date on which an occupancy permit for private residential use is issued) is specified as a dollar amount and shall not increase by more than two percent per year; (2) the special tax shall not be levied against such property after Fiscal Year 2054/55 (except that a Special Tax lawfully levied in or before that year and that remains delinquent may be collected in subsequent years); and (3) under no circumstances shall the Special Tax levied on such property in any fiscal year be increased on such property, as a consequence of delinquency or default by the owner of any other parcel or parcels of land within the CFD, by more than ten percent above the amount that would have been levied in that fiscal year had there never been any such delinquencies or defaults.
- Section 7. If the election referred to below results in the approval of the ballot measure described herein, then 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 Tax shall attach to all nonexempt real property in the CFD, which lien shall continue in force and effect until the Special Tax obligation is prepaid and permanently satisfied and the lien cancelled in accordance with law or until collection of the Special Tax by the Council ceases and a Notice of Cessation of Special Tax is recorded in accordance with Section 53330.5 of the Act.
- Section 8. Except where funds are otherwise available, the Special Tax, subject to the limits described in the RMA, but otherwise in an amount sufficient to pay for the acquisition and construction of the facilities and the payment of the governmental fees, the making of lease payments for facilities (whether in conjunction with the issuance of certificates of participation or not); including the payment of interest on and principal of Debt to be issued to finance the acquisition and construction of the facilities and the payment of the governmental fees, and including the repayment of funds advanced by the City for the CFD and including the repayment under any agreement (which shall not constitute a debt or liability of the City) for

advances of funds or for the reimbursement for the lesser of the value or cost of work in-kind provided by any person or entity for the CFD, will be levied annually within the boundaries of the CFD.

- Section 9. The Special Tax will be collected through the regular County of Sacramento secured property tax bills, and will be subject to the same enforcement mechanism, and the same penalties and interest for late payment, as regular *ad valorem* property taxes; however, the Council reserves the right to utilize any other lawful means of billing, collecting, and enforcing the Special Tax, including direct billing, supplemental billing, and, when lawfully available, judicial foreclosure of the Special Tax lien.
- Section 10. Pursuant to Section 53340.1 of the Government Code of the State of California, the Special Tax shall be levied on privately held leasehold or possessory interests in property owned by a public agency (which property is otherwise exempt from the special tax), to be payable by the owner of the leasehold or possessory interests in such property.
- Section 11. Pursuant to Section 53325.7 of the Government Code of the State of California, and subject to the voter approval requirement contained in that Section, the appropriations limit, as defined by subdivision (h) of Section 8 of Article XIII B of the California Constitution, for Fiscal Year 2014/15 for the CFD, subject to adjustment as provided therein, is established in the amount of \$13 million.
- Section 12. The Council will submit the authorizations of this Resolution to the qualified electors of the CFD in a special mailed-ballot election. Based on findings to be formally made by the Council in a Resolution to be adopted this date Calling Special Mailed-Ballot Election within the CFD, to which reference is made for further particulars, the qualified electors of the CFD are the landowners owning property that will not be exempt from the Special Tax within the CFD, in accordance with Section 53326(b) of the Act.
- Section 13. In the opinion of the Council, the public interest will not be served by allowing the property owners in the CFD to enter into a contract pursuant to Section 53329.5(a) of the Government Code of the State of California to do the work to be financed under the Act.
- Section 14. The City Finance Department, 915 "I" Street, City Hall, Third Floor, Sacramento, CA 95814, telephone (916) 808-1440, or the City Treasurer's Office, 915 "I" Street, Historic City Hall, Third Floor, Sacramento, CA 95814, telephone (916) 808-5168, will be responsible for annually preparing, or causing to be prepared, the roll of Special Tax levies on the parcels within the CFD identified by Sacramento County Assessor's parcel numbers, and will be responsible for estimating future

Special Tax levies pursuant to Section 53340.2 of the Government Code of the State of California.

- Section 15. The Council finds and determines that all proceedings conducted and approved by the Council with respect to the establishment of the CFD, up to and including the adoption of this Resolution, and the other Resolutions adopted this date in connection with the CFD, are valid and in conformity with the requirements of the Act, and this determination is final and conclusive for all purposes and is binding upon all persons. Accordingly, the Council finds, determines, and orders that the CFD is hereby established with all of the authorities described and set forth in this Resolution, the exercise of which is subject only to the election.
- Section 16. This resolution takes effect when adopted.

EXHIBIT A

CURTIS PARK VILLAGE COMMUNITY FACILITIES DISTRICT NO. 2014-02 (IMPROVEMENTS), CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA

BOUNDARY MAP

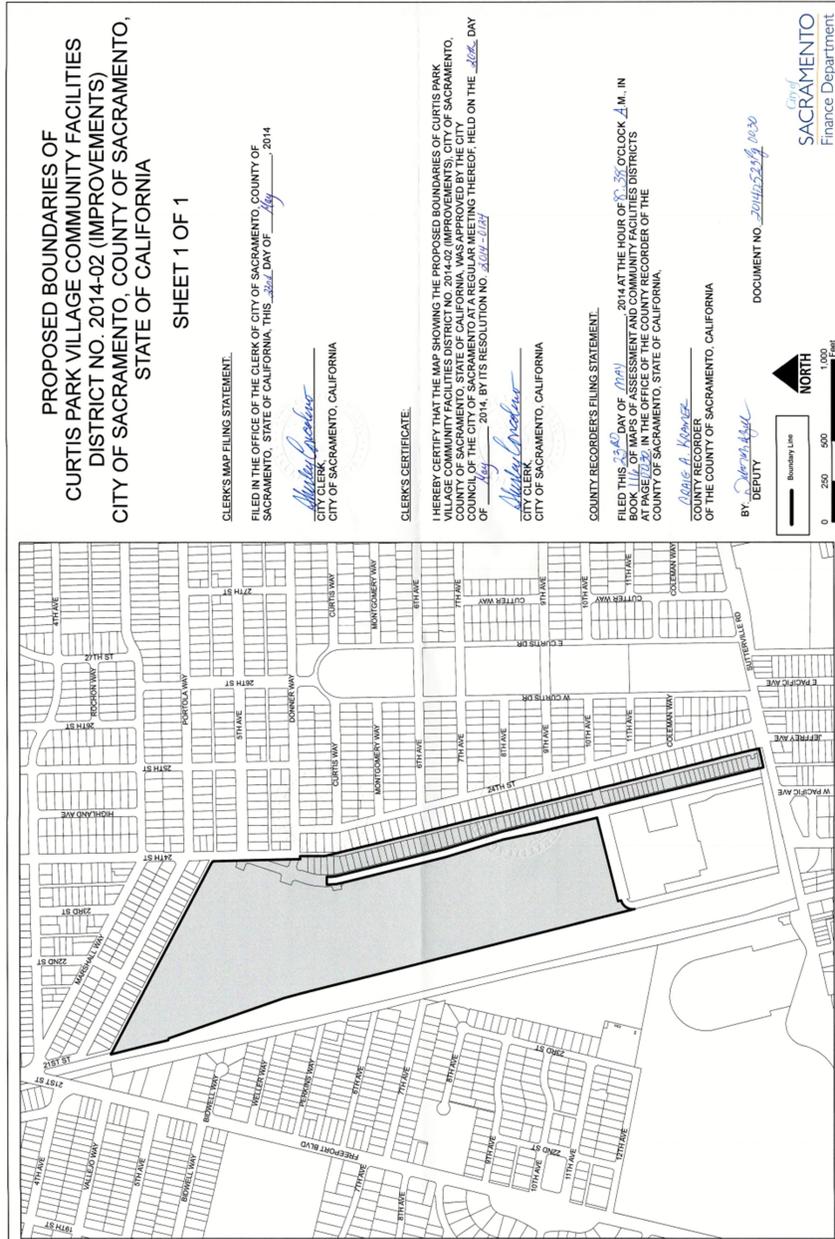


EXHIBIT B

CURTIS PARK VILLAGE COMMUNITY FACILITIES
DISTRICT NO. 2014-02 (IMPROVEMENTS),
CITY OF SACRAMENTO,
COUNTY OF SACRAMENTO,
STATE OF CALIFORNIA

LIST OF AUTHORIZED FACILITIES AND FEES

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**Curtis Park Village
Community Facilities District
Eligible Facilities List**

SUMMARY

The Eligible Facilities List identifies the infrastructure, land and fee categories eligible for financing with CFD special taxes and bond proceeds. The cost amount and fee amount calculated below are estimates only and do not limit the eligibility amount for the respective infrastructure or fee category. Actual amounts are anticipated to differ from these estimates.

INFRASTRUCTURE

Phase 1	*		
Phase 2 - Intract roadways	1,905,691	Eligibility subject to policy amendments.	
Phase 2 - Pump Station	1,200,000		
Phase 2 - Masonry Sound wall	672,000		
Phase 2 - Land Dedication	3,050,000		
Contingency (5.0%)	188,885		
Phase 2 - Total	7,016,576		
Phase 3 - Intract roadways	1,999,955	Eligibility subject to policy amendments.	
Phase 3 - Masonry Sound wall	504,000		
Contingency (5.0%)	125,198		
Phase 2 - Total	2,629,153		
Other Off Site Infrastructure			
Fair Share Offsite Mitigation Fees	750,000		
24th/Donner Signal			
2nd Avenue/24th Signal			
Freeport/Sutterville Signal			
Franklin Blvd/Sutterville Signal			
Southbound 99/Sutterville Ramp	1,000,000		
Dry Utilities (up to 5% of bond amount)	393,000		
Total - Infrastructure & Land	11,788,728	% of total	73%

* Per developer, Phase 1 infrastructure will be funded with Prop 1C funds.

FEES

Construction Excise Tax	635,449		
Park Development Impact Fee	1,510,782	* see notes.	
Water Service Tap Fee	350,532		
Water Development Fee	731,231		
Water Meter Fee	124,761		
Quimby Fee	1,105,650	** see notes.	
Total - Fees	4,458,405	% of total	27%
Total - Infrastructure, Land and Fees	16,247,133		

* Park Development Impact Fee: Park fee credits have not been deducted.

** Quimby Fee: Park dedication/in lieu fees due prior to first final map. Quimby fee per lot provided by Developer. Park land dedication mitigation and applicable credits have

**Curtis Park Village
Community Facilities District
Eligible Facilities List**

Facility Description

PHASE 2 IMPROVEMENTS

Phase 2 Improvements include the following roadways segments, associated grading and utilities.

5th Avenue, A Street, Baldwin Street, Donner Way, Bedford Falls Way, Huntington Way		
Phase 2 costs associated with the above facilities:	1,905,691	50%
Phase 2 costs Pump Station:	1,200,000	32%
Phase 2 costs Masonry Sound wall:	672,000	18%
	3,777,691	100%

Facilities Detailed Cost Breakdown

	<u>Amount</u>	
Demolition & Grading		
Demolition	2,523	
Grading	55,800	
Subtotal - Demolition & Grading	58,323	
Land Dedications		
Detention Basin/ Park / Open Space / Pump Station	3,050,000	(approx. 6.1 acres)
Street Improvements		
Pavement	303,188	
Street & Sidewalk (i)	339,525	
Masonry Sound Wall	672,000	
Street Lights	261,000	
Subtotal - Street Improvements	1,575,713	
Drainage		
Piping - 12" to 60" PVC	368,599	
Pump Station	1,200,000	
Subtotal - Drainage	1,568,599	
Water		
8" PVC, Gate Valve, Connection	101,200	
12" DIP, Gate Valve, Connection	22,650	
Fire Hydrant	82,500	
Water Service & Irrigation	99,975	
Subtotal - Water	306,325	
Sewer		
8' VCP	93,682	
48" SSMH & SSHS	170,400	
System Connections	4,650	
Subtotal - Sewer	268,732	
<hr/>		
Sub-total Phase 2	3,777,691	
Plus Land	3,050,000	
Plus Contingency (5.0%)	188,885	
Total Phase 2	7,016,576	

Footnotes:

Excludes private facilities, improvements not anticipated to be owned, operated, or maintained by a public agency, and improvements with an estimated life of less than five years. Removed closure

**Curtis Park Village
Community Facilities District
Eligible Facilities List**

Facility Description

PHASE 3 IMPROVEMENTS

Phase 3 Improvements include the following roadways segments, associated grading and utilities.

B Street,		
C Street,		
D Street,		
Phase 3 costs associated with the above facilities:	1,999,955	80%
Phase 3 costs Masonry Sound wall:	504,000	20%
	2,503,955	100%

<u>Facilities Detailed Cost Breakdown</u>	<u>Amount</u>
Demolition & Grading	
Grading	73,800
Subtotal - Demolition & Grading	73,800
Street Improvements	
Pavement	176,550
Street & Sidewalk (i)	489,060
Masonry Sound Wall	504,000
Street Lights	331,500
Subtotal - Street Improvements	1,501,110
Drainage	
Piping - 12" to 48" PVC	115,890
Manhole - 48"	54,600
Type "B" D.I.	55,200
Subtotal - Drainage	225,690
Water	
8" PVC, Gate Valve, Connection	193,500
Fire Hydrant	49,500
Water Service & Irrigation	132,225
Subtotal - Water	375,225
Sewer	
8' VCP	109,430
48" SSMH & 4" SSHS	216,750
Connection	1,950
Subtotal - Sewer	328,130
<hr/>	
Sub-total Phase 3	2,503,955
Plus Contingency (5.0%)	125,198
Total Phase 3	2,629,153

Footnotes:

Excludes private facilities, improvements not anticipated to be owned, operated, or maintained by a public agency, and improvements with an estimated life of less than five years. Removed closure barricade (\$2,800) and erosion control (\$28,950).

(i) includes HC ramp, curb & gutter, sidewalk, pavement and lights, excludes closure barricade.

**Curtis Park Village
Community Facilities District
Eligible Facilities List**

Fee Description

<u>Development Impact Fees</u>				
	Fee Amount/Unit	Number of Units	Total Fee	
Construction Excise Tax (CET) (i)	\$ 2,327.65	273	\$	635,449
Subtotal - CET			\$	635,449
Park Development Impact Fee (ii)	\$ 5,534.00	273	\$	1,510,782
Subtotal - Park Development Impact Fee			\$	1,510,782
Water Service Tap Fee (iii)	\$ 1,284.00	273	\$	350,532
Subtotal - Water Service Tap Fee			\$	350,532
Water Development Fee (iv)	\$ 2,678.50	273	\$	731,231
Subtotal - Water Development Fee			\$	731,231
Water Meter Fee (v)	\$ 457.00	273	\$	124,761
Subtotal - Water Meter Fee			\$	124,761
Quimby Fee (vi)	\$ 4,050.00	273	\$	1,105,650
Subtotal - Quimby Fee			\$	1,105,650
Total			\$	4,458,405

Footnotes:

- (i) assessed on all new building construction and additions. Calculated as .008 x of the 2002 ICBO Valuation. Based on a single family residential unit with 2,423 sq ft (average home size) living area, 400 sq ft garage and storage, and 200 sq ft patio covers.
- (ii) assessed upon landowners developing property for any residential or nonresidential use. A standard development is assessed \$5,534 per single family unit for FY 13/14.
- (iii) contractor excavates and exposes the water main for the City to install a service tap.
- (iv) assessed on all projects that require a new water tap or increase in size of an existing tap. Based on a 1" new water meter.
- (v) meter installation charges. Based on a 1" meter size.
- (vi) park dedication/in lieu fees due prior to first final map. Quimby fee per lot provided by Developer. Park land dedication mitigation and applicable credits have not been deducted. After credits, remaining park Quimby fee may be reduced.

EXHIBIT C

**CURTIS PARK VILLAGE COMMUNITY FACILITIES
DISTRICT NO. 2014-02 (IMPROVEMENTS),
CITY OF SACRAMENTO,
COUNTY OF SACRAMENTO,
STATE OF CALIFORNIA**

REPRESENTATIVE LISTING OF INCIDENTAL EXPENSES AND BOND ISSUANCE COSTS

It is anticipated that the following incidental expenses may be incurred in the proposed legal proceedings for formation of the Community Facilities District, construction or acquisition of the authorized public facilities, and related bond financing and will be payable from proceeds of bonds or directly from the proceeds of the Special Tax:

- Special tax consultant services
- City, Participating District staff review, oversight, and administrative services
- Bond Counsel and Disclosure Counsel services
- Financial advisor services
- Special tax administrator services
- Appraiser/Market absorption consultant services
- Bond transfer agent, fiscal agent, registrar and paying agent services, and rebate calculation service
- Bond printing and Preliminary Official Statement and Official Statement printing and mailing
- Publishing, mailing, and posting of notices
- Recording fees
- Underwriter's discount
- Bond reserve fund
- Capitalized interest
- Governmental notification and filing fees
- Credit enhancement costs
- Rating agency fees
- Continuing disclosure services

The expenses of certain recurring services pertaining to the Community Facilities District may be included in each annual special tax levy, and these expenses are described in the definition of the term "Administrative Expenses" as set forth in the Rate and Method of Apportionment of Special Tax attached hereafter as Exhibit D.

The foregoing enumeration shall not be regarded as exclusive and shall be deemed to include any other incidental expenses of a like nature which may be incurred from time to time with respect to the Community Facilities District.

EXHIBIT D

CURTIS PARK VILLAGE COMMUNITY FACILITIES
DISTRICT NO. 2014-02 (IMPROVEMENTS),
CITY OF SACRAMENTO,
COUNTY OF SACRAMENTO,
STATE OF CALIFORNIA

**RATE AND METHOD OF APPORTIONMENT
AND MANNER OF COLLECTION OF THE SPECIAL TAX**

Attached as a separate document

EXHIBIT D

City of Sacramento
Curtis Park Village Community Facilities District No. 2014-02
(Improvements)
Sacramento, California

RATE, METHOD OF APPORTIONMENT, AND
MANNER OF COLLECTION OF SPECIAL TAX

1. Basis of Special Tax Levy

A Special Tax authorized under the Mello-Roos Community Facilities Act of 1982 (Act) applicable to the land in the Curtis Park Village Community Facilities District No. 2014-02 (Improvements) (CFD) of the City of Sacramento (City) shall be levied and collected according to the tax liability determined by the City through the application of the appropriate amount or rate, as described below.

2. Definitions

“**Acre**” or “**Acreage**” means the land area of a County Assessor’s Parcel as shown on an Assessor’s Parcel Map.

“**Act**” means the Mello-Roos Community Facilities Act of 1982, as amended, Sections 53311 and following of the California Government Code.

“**Administrative Expenses**” means the actual or reasonably estimated costs related to the administration of the CFD, including, but not limited to, these:

- a. Costs of computing Special Taxes and preparing annual Special Taxes collection schedules (whether by the City or any designee thereof or both).
- b. Costs of collecting, auditing, and accounting for the Special Taxes (whether by the County, the City, or otherwise).
- c. Costs of remitting the Special Taxes to the Trustee.
- d. Costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Bond Indenture.
- e. Costs to the City, CFD, or any designee thereof of complying with arbitrage rebate requirements.

- f. Costs to the City, CFD, or any designee thereof of complying with City, CFD, or obligated persons disclosure requirements.
- g. Costs associated with preparing Special Taxes disclosure statements.
- h. Costs incurred in responding to public inquiries regarding the Special Taxes.
- i. Costs to the City, CFD, or designee thereof related to any appeal of the Special Taxes.
- j. Costs associated with the release of funds from an escrow account, if any.
- k. Costs to the City for the issuance of Bonds authorized by the CFD that are not recovered through the Bond sale proceeds.
- l. Amounts estimated to be advanced or advanced by the City for any other administrative purposes, including attorney's fees and other costs related to collection of the special taxes and commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

"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.

"Annual Costs" means, for any Fiscal Year, the total of these:

- a. Debt Service that is due in the calendar year that begins in such Fiscal Year.
- b. The amount needed to replenish the reserve fund for the Bonds to the level required under the Bond Indenture, to the extent not included in a computation of Annual Costs in a previous Fiscal Year.
- c. Administrative Expenses for such Fiscal Year.
- d. To the extent permitted by the Act, the amount needed to fund (i) unpaid special tax delinquencies from previous Fiscal Years, to the extent not previously levied, and (ii) anticipated delinquencies for the current Fiscal Year on any Parcel which has no outstanding delinquent Special Taxes. Collections from prior delinquencies should be used to offset the amount needed for current and future delinquencies if available.
- e. Authorized Facilities funded on a Pay-As-You-Go Basis.
- f. *Less* any Capitalized Interest.
- g. *Less* any available earnings on or surplus balances in the Reserve Fund or the Special Tax fund, or any other available revenues of the CFD or the City that may be used to fund Annual Costs.

"Anticipated Construction Proceeds" means that amount that is anticipated to be available through the CFD for acquiring or constructing Authorized Facilities. Anticipated Construction Proceeds is equal to \$10.5 million at formation of the CFD. Anticipated Construction Proceeds amount is increased by ENR-CCI by the average increase in the index for the prior calendar year on July 1 of the current Fiscal Year.

"Assessor's Parcel Map" means an official map of the County Assessor designating parcels by Assessor's Parcel Number.

"Assessor's Parcel Number" means the Parcel and Parcel Number as assigned by the County Assessor on the equalized tax roll.

"Assigned Special Tax" means the amount of Special Tax shown in **Attachment 1** for the Base Year, as increased by the Tax Escalation Factor following the Base Year, for each Tax Category, as determined in accordance with **Section 4.b** below. For Single-Family Parcels, the Assigned Special Tax will be assigned at the initial Building Permit.

"Authorized Facilities" means those facilities and fees to be financed as identified in the resolution forming the CFD.

"Base Year" means the Fiscal Year beginning July 1, 2014, and ending June 30, 2015.

"Benefit Share" means the Assigned Special Tax for a Parcel divided by the Maximum CFD Special Tax Revenue for all Taxable Parcels.

"Bond(s)" means bond(s) issued or other indebtedness incurred by the City for the CFD under the Act.

"Bond Indenture" means any indenture, resolution, fiscal agent agreement, or other financing document pursuant to which any Bonds are issued.

"Bond Share" means the share of Outstanding Bonds assigned to a Parcel as specified in **Section 7** hereof.

"Building Permit" means a permit issued by the City for the construction of a Residential Use or other permitted use on an Other Land Use Parcel.

"Building Square Foot(age)" has the same meaning as that defined for the School Mitigation Fee by California Government Code Section 65995 for "Assessable Space," which is "all of the square footage within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, detached accessory structure, or similar area" as determined upon issuance of the initial Building Permit.

"Capitalized Interest" means funds in any capitalized interest fund available to pay debt service on Bonds.

"CFD" means the Curtis Park Village Community Facilities District No. 2014-02 (Improvements) of the City of Sacramento, Sacramento, California.

"City" means the City of Sacramento in Sacramento, California.

"Council" means the City Council of the City acting for the CFD under the Act.

"County" means the County of Sacramento, California.

"County Assessor's Parcel" means a lot or Parcel with an assigned Assessor's Parcel Number in the maps used by the County Assessor in preparing the tax roll.

"Debt Service" means the total amount of bond principal, interest, and scheduled sinking fund payments of the Outstanding Bonds.

Developed Parcel means, in any Fiscal Year, a Parcel for which a Building Permit for Residential Use or other permitted use on an Other Land Use Parcel has been issued prior to June 1 of the preceding Fiscal Year. Once a Parcel is classified as a Developed Parcel it shall remain a Developed Parcel.

Dwelling Unit means a single-family detached unit or an individual residential unit within a condominium structure.

ENR-CCI means the Engineering News Record – Construction Cost Index increase for the 20-City National Average in the prior calendar year, as determined on July 1 of the current Fiscal Year.

Final Bond Sale means the last bond sale or issuance of bonds after which no more bond sales generating net new CFD bond proceeds shall occur, as determined by the Administrator.

Final Map Parcel means a Parcel designated for new development, which is part of a Final Subdivision Map. Once a Parcel is classified as a Final Map Parcel it shall remain a Final Map Parcel.

Final Subdivision Map means a recorded map designating the final Parcel Subdivision for individual Single-Family Parcels.

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

Full Prepayment means the complete fulfillment of a Parcel's Special Tax obligation, as determined by following the procedures in **Section 7**.

Mandatory Partial Prepayment means the partial fulfillment of a Parcel's Special Tax obligation, as determined by following the procedures in **Section 7**.

Maximum Annual Special Tax means the greatest amount of Special Tax that can be levied against a Parcel in the Base Year, as shown in **Attachment 1**, as increased by the Tax Escalation Factor following the Base Year. The Maximum Annual Special Tax will be assigned at final inspection of the initial Building Permit for Developed Parcels.

Maximum CFD Special Tax Revenue means the sum of the Maximum Annual Special Tax levied on all Taxable Parcels in the CFD in a Fiscal Year.

Multi-Family For-Rent Parcel means a Parcel designated for apartment uses which are intended to be rental units and not individually owned. Multi-Family For-Rent Parcels are Tax-Exempt Parcels. If apartment units within such Parcels are turned into Residential Condominiums they shall no longer be considered Tax-Exempt Parcels.

Multi-Unit Structure means an individual residential unit in a duplex, halfplex, triplex, or fourplex. Multi-Unit Structure excludes Residential Condominium.

Other Land Use Parcel means a Developed Parcel with a land use that is not a Single-Family Parcel. For example, Parcels rezoned after the formation of the CFD to permit other uses such as retail, office, mixed use, and industrial property would be taxable as an Other Land Use Parcel. An Other Land Use Parcel also includes a Developed Parcel with a Multi-Unit Structure.

"Outstanding Bonds" means the total principal amount of Bonds that have been issued and not fully repaid or legally defeased.

"Parcel" means any County Assessor's Parcel in the CFD based on the equalized tax rolls of the County as of July of each Fiscal Year.

"Pay-As-You-Go Basis" means the use of annual Special Tax revenues to directly fund administration or to fund the construction, improvement, or payment of Authorized Facilities, on a first-in first-out basis.

"Prepayment" means the complete or partial fulfillment of a Parcel's Special Tax obligation, as determined by following the procedures in **Section 7**.

"Public Parcel" means any Parcel that is or is intended to be publicly owned, as designated in any final map that is normally exempt from the levy of general ad valorem property taxes under California law, including public streets; schools; parks; and public drainageways, landscaping, wetlands, greenbelts, and open space.

"Remainder Parcel" means a Parcel that is created as the result of the recordation of a Final Subdivision Map, which results in a Parcel that has not been mapped for final development approval. Such Remainder Parcel may contain taxable and tax-exempt uses, such as Residential Uses, and Public Parcels, such as park sites.

"Remaining Facilities Costs" means the amount of Anticipated Construction Proceeds less construction proceeds from previous CFD Bond issuances and Pay-As-You-Go expenditures funded from the levy of the Special Tax.

"Remaining Facilities Cost Share" means the Remaining Facilities Costs multiplied by the Benefit Share.

"Reserve Fund" means any debt service reserve fund established pursuant to the Bond Indenture.

"Reserve Fund Requirement" means the amount required to be held in any Reserve Fund.

"Reserve Fund Share" means the amount on deposit in any Reserve Fund, but in any event not to exceed the Reserve Fund Requirement, multiplied by the Benefit Share for a given Parcel.

"Residential Condominium" means an attached single-family Residential Use for ownership in a condominium structure.

"Residential Use" means residential use, such as single-family residential units or Residential Condominiums.

"RMA" means the Rate and Method of Apportionment of the Special Tax.

"Senior Housing Parcel" means a Parcel or Parcels in the CFD that are designated for senior or age-restricted uses. Such Parcels are Tax-Exempt Parcels.

"Single-Family Parcel" means, in any Fiscal Year, all Parcels in the CFD for which a Building Permit was issued or may be issued for construction of a Dwelling Unit designated for Residential Use.

"Special Tax(es)" mean(s) any tax levy under the Act in the CFD.

"Subdivision" or **"Subdivided"** means a division of a Parcel into two or more Parcels through the Subdivision Map Act process. A Subdivision also may include the merging of two or more Parcels to create new Parcels.

"Tax Category" means the land use designations and the Residential Use ranges by Building Square Footage, as shown in **Attachment 1**.

"Tax Collection Schedule" means the document prepared by the Administrator for the County Auditor-Controller to use in levying and collecting the Special Taxes each Fiscal Year.

"Tax Escalation Factor" means a factor of two-percent in each Fiscal Year following the Base Year by which the Assigned Special Tax and Maximum Annual Special Tax for the previous Fiscal Year will be increased.

"Taxable Parcel" means any Parcel that is not a Tax-Exempt Parcel.

"Tax-Exempt Parcel" means a Parcel not subject to the Special Tax. Tax-Exempt Parcels include (a) Public Parcels, (b) Parcels owned by the City, school districts, special districts, or the state or federal government, (c) Senior Housing Parcels, and (d) Multifamily For-Rent Parcels. A Taxable Parcel that is acquired by a public agency shall remain a Taxable Parcel as per the provisions of **Section 4.e**.

"Total Assigned Special Tax Revenue" means the greatest amount of revenue that can be collected in total from a Parcel or a group of Parcels (such as Developed Parcels) by levying the Assigned Special Tax in any given Fiscal Year.

"Total Facility Cost Share" means the Benefit Share for a Parcel multiplied by the Anticipated Construction Proceeds for the CFD.

"Trustee" means any fiscal agent or trustee appointed by the City pursuant to any Bond Indenture.

"Undeveloped Parcel" means a Taxable Parcel that is not a Developed Parcel or a Final Map Parcel.

3. Duration of the Special Tax

The Special Tax will be levied and collected for as long as it is needed to pay Annual Costs; however, in no event shall the Special Tax be levied on any Parcel in the CFD after Fiscal Year 2054-55.

When all Authorized Facilities and other Annual Costs incurred by the CFD have been paid, the Special Taxes shall cease to be levied subject to the appropriation limit for the CFD. The City shall direct the County Recorder to record a Notice of Cessation of Special Tax. Such notice will state that the obligation to pay the Special Tax has ceased and that the lien imposed by the Notice of Special Tax Lien is extinguished. In addition, the Notice of Cessation of Special Tax shall identify the book and page of the Book of Maps of Assessment and Community Facilities Districts where the map of the boundaries of the CFD is recorded.

4. Administrative Tasks

Tasks required of the Administrator are discussed below:

- a. Annual Special Tax Escalation. The Administrator shall increase the Assigned Special Tax and the Maximum Annual Special Tax by the Tax Escalation Factor in each Fiscal Year following the Base Year.
- b. Assignment of the Special Tax to Single-Family Parcels. As Building Permits are issued to Taxable Parcels, use the following steps to assign the Assigned Special Tax and Maximum Annual Special Tax to a Developed Parcel for Residential Uses:
 1. Identify the Building Square Footage in the Building Permit issued for such a Parcel.
 2. Identify the Tax Category in **Attachment 1** that corresponds to the Building Square Footage in the Building Permit issued for such Parcel.
 3. Assign the Assigned Special Tax and Maximum Annual Special Tax for the appropriate Tax Category to the Developed Parcel, as shown in **Attachment 1**.
- c. Assignment of the Assigned Special Tax to Final Map Parcels, Other Land Use Parcels, and Undeveloped Parcels. As Taxable Parcels are Subdivided use the following procedures to assign the Assigned Special Tax to such Parcels:
 1. Identify the Acreage for the Final Map Parcel, Other Land Use Parcel, or Undeveloped Parcel.
 2. Identify the Assigned Special Tax per Acre for the Tax Category shown in **Attachment 1**.
 3. Multiply the Assigned Special Tax per Acre times the Acreage to determine the Assigned Special Tax for such a Taxable Parcel.
- d. Assignment of the Assigned Special Tax to Final Map Parcels, Other Land Use Parcels, and Undeveloped Parcels AFTER the Final Bond Sale. After the Final Bond Sale, as Taxable Parcels are Subdivided, if the Assigned Special Tax from the proposed Taxable Parcels (from proposed Subdivision) together when summed with the Maximum Annual Special Tax Revenue from all Developed Parcels is not sufficient to provide a minimum of 110-percent Special Tax revenue coverage of Debt Service, then a Mandatory Partial Prepayment shall be required for each of the Subdivided Parcels as calculated as provided in **Section 7.c**. After Mandatory Partial Prepayment is complete, assign the Assigned Special Tax to each Subdivided Parcel using **Steps 4.c.1** through **4.c.3** above.
- e. Conversion of a Tax-Exempt Parcel to a Taxable Parcel. If a Tax-Exempt Parcel is converted to a taxable use or transferred to a private owner as a Single-Family Parcel or an Other Land Use Parcel, it shall become subject to the Special Tax. The Assigned Special Tax and Maximum Annual Special Tax for the newly assigned Tax Category for such a Parcel shall be determined using the provisions of **Section 4.b** or **Section 4.c**.
- f. Taxable Parcels Acquired by a Public Agency or a Not-For-Profit Entity. A Taxable Parcel that is acquired by a public agency after the CFD is formed will remain subject to the applicable Special Tax unless the Special Tax obligation is satisfied pursuant to Section 53317.5 of the

Act. An exception to this may be made if a Public Parcel, such as a school site, is relocated to a Taxable Parcel, in which case the previously Tax-Exempt Parcel of comparable acreage becomes a Taxable Parcel and the Assigned Special Tax and Maximum Annual Special Tax from the previously Taxable Parcel is transferred to the new Taxable Parcel. This trading of a Parcel from a Taxable Parcel to a Public Parcel will be permitted to the extent there is no net loss in Maximum CFD Special Tax Revenue and the transfer is agreed to by the owners of the Parcels involved in the transfer and the Administrator. If a Taxable Parcel is converted to uses that meet the definitions of Senior Housing Parcel or Multi-Family For-Rent Parcel after being classified as a Developed Parcel, such Parcel shall remain a Taxable Parcel.

5. Annual Assignment of the Assigned Special Tax and Maximum Annual Special Tax

- a. Classification of Parcels. By July 31 of each Fiscal Year, using the Definitions in **Section 2**, the Parcel records of the Assessor's Secured Tax Roll as of July 1, and other City development approval records, the Administrator shall cause:
 1. Each Parcel to be classified as a Taxable Parcel or Tax-Exempt Parcel.
 2. Each Taxable Parcel to be classified as a Developed Parcel, a Final Map Parcel, or an Undeveloped Parcel.
 3. Each Developed Parcel to be classified as a Single-Family Parcel or Other Land Use Parcel.
- b. Assignment of the Assigned Special Tax and Maximum Annual Special Tax to Taxable Parcels. The Assigned Special Tax and Maximum Annual Special Tax will be assigned to each Taxable Parcel each Fiscal Year using the procedures (not all steps may be applicable for each such Parcel) in **Section 4**.

6. Calculating Annual Special Taxes

The Administrator will compute the Annual Costs. The Administrator then will determine the tax levy for each Taxable Parcel using the following process:

- a. Compute the Annual Costs using the definition of Annual Costs in **Section 2**.
- b. Compute 100 percent of the Total Assigned Special Tax Revenue for all Developed Parcels.
- c. If the amount from **Step 6.b** is greater than the Annual Costs in **Step 6.a** and the Special Tax levy will occur **BEFORE** the Final Bond Sale and **BEFORE** funding of Authorized Facilities up to 100 percent of the Anticipated Construction Proceeds, levy the 100 percent of the Assigned Special Tax on all Developed Parcels.
- d. If the amount from **Step 6.b** is greater than the Annual Costs in **Step 6.a** and the Special Tax levy will occur **AFTER** the Final Bond Sale and **AFTER** funding of Authorized Facilities up to 100 percent of the Anticipated Construction Proceeds, decrease proportionately the Assigned Special Tax levy for each Developed Parcel until the Special Tax revenue from the levy of the Assigned Special Tax on all Developed Parcels equals Annual Costs calculated in **Step 6.a**.

- e. If the amount from **Step 6.b** is less than Annual Costs in **Step 6.a**, increase proportionately the Assigned Special Tax levy for each Final Map Parcel up to 100 percent of the Assigned Special Tax for each Final Map Parcel until the sum of the amount computed in **Section 6.b** for all Developed Parcels plus the levy of the Assigned Special Tax on Final Map Parcels equals Annual Costs.
- f. If the amounts from **Steps 6.b** for all Developed Parcels and **6.e** for all Final Map Parcels together are less than Annual Costs in **Step 6.a**, increase proportionately the Assigned Special Tax levy for each Undeveloped Parcel up to 100 percent of the Assigned Special Tax for each Undeveloped Parcel until the sum of the amounts computed in **Steps 6.b, 6.e** plus the levy of Assigned Special Tax on Undeveloped Parcels equals Annual Costs.
- g. If the amounts from **Steps 6.b** for all Developed Parcels, **6.e** for all Final Map Parcels, and **6.f** for all Undeveloped Parcels together are less than Annual Costs in **Step 6.a**, increase proportionately the Special Tax levy for each Developed Parcel the amount of the difference, if any, between the Assigned Special Tax for each Developed Parcel and the Maximum Annual Special Tax for each Developed Parcel up to 100 percent until the sum of the amounts computed in **Steps 6.b, 6.e, and 6.f**, and this **Step 6.g** equals Annual Costs.
- h. Levy on each Taxable Parcel the amount calculated above.
- i. Prepare the Tax Collection Schedule and, unless an alternative method of collection has been selected pursuant to **Section 9**, send it to the County Auditor requesting that it be placed on the general, secured property tax roll for the Fiscal Year. The Tax Collection Schedule will not be sent later than the date required by the Auditor for such inclusion.

The Administrator will make every effort to correctly calculate the Special Tax for each Parcel. It will be the burden of the taxpayer to correct any errors in determining which Parcels are subject to the Special Tax and their Special Tax assignments.

7. Prepayment of the Special Tax Obligation

A property owner may permanently satisfy the Maximum Annual Special Tax for a Taxable Parcel by a Full Prepayment as permitted under Government Code Section 53344. An owner of a County Assessor's Parcel intending to prepay the Special Tax obligation shall provide the City with written notice of intent to prepay. Within 30 days of receipt of such written notice, the City or its designee shall notify such owner of the prepayment amount for such Parcel. Prepayment must be made not less than 75 days before any redemption date for Bonds to be redeemed with the proceeds of such prepaid Special Taxes.

Prepayment is permitted only under the following conditions:

- Full Prepayment is only allowed for Developed Parcels.
- Mandatory Partial Prepayments are only permitted after the Final Bond Sale and will be required as described in **Section 4.d**.
- The City determines that the Prepayment of the Special Tax does not jeopardize its ability to make timely payments of Debt Service on Outstanding Bonds.

- The property owner prepaying the Special Tax on a Parcel has paid any delinquent Special Tax and penalties on that Parcel before Prepayment.

When permitted, the Administrator shall calculate prepayments using the following steps:

- a. The Full Prepayment amount before the issuance of CFD Bonds shall be calculated using following procedures (See **Table 1** for a sample Full Prepayment):
 1. Determine the Assigned Special Tax for the Developed Parcel for which the Special Tax is to be prepaid using the provisions of **Sections 4** and **5**.
 2. Divide the amount from **Step 7.a.1** by the Total Assigned Special Tax Revenue to determine the Benefit Share for the Prepayment Parcel.
 3. Multiply the Remaining Facilities Costs, as increased by ENR-CCI from the Base Year, times the Benefit Share to determine the Prepayment amount.
 4. Add to the amount determined in **Step 7.a.3** any costs to the City associated with the preparation of the Prepayment calculation.
- b. The Full Prepayment amount after the issuance of CFD Bonds shall be calculated using the following procedures (See **Table 2** for a sample Full Prepayment):
 1. Determine the Assigned Special Tax for the Developed Parcel for which the Special Tax is to be prepaid using the provisions of **Sections 4** and **5**.
 2. Divide the amount from **Step 7.b.1** by the Total Assigned Special Tax Revenue to determine the Benefit Share for the Parcel.
 3. Multiply the Benefit Share by the total amount of Outstanding Bonds to determine the Bond Share for the Prepayment Parcel.
 4. Multiply the Benefit Share by the Remaining Facilities Costs to determine the Remaining Facilities Cost Share for the Prepayment Parcel.
 5. Sum the Bond Share and Remaining Facilities Cost Share from **Steps 7.b.3** and **7.b.4**.
 6. Determine the total amount of Bonds to be called by rounding the amount summed in **Step 7.b.5** down to the nearest \$5,000.
 7. Multiply the amount calculated in **Step 7.b.6** by the call premium for the next available call date.
 8. Determine the Reserve Fund Share for the Prepayment Parcel by multiplying the Reserve Fund Requirement times the Benefit Share.
 9. Reduce the amount calculated in **Step 7.b.5** by the amount of the Reserve Fund Share in **Step 7.b.6**, provided the Reserve Fund equals the Reserve Fund Requirement after reduction.
 10. Determine the Full Prepayment amount by adding to the amount calculated in **Step 7.b.7** any fees, call premiums, and interest to the next Bond call date not covered by Special Taxes already levied, and expenses incurred by the CFD in connection with the

Prepayment calculation or the application of the proceeds of the Prepayment to the call of Outstanding Bonds. If the Special Taxes have already been levied, but not collected, the Parcel shall not become a Prepayment Parcel until the owner of the Parcel has paid the Special Taxes included on the current property tax bill in addition to the Prepayment amount.

- c. Mandatory Partial Prepayments, when required AFTER the Final Bond Sale, will be calculated as described below. A Mandatory Partial Prepayment may be required subject to the Special Tax revenue test described in **Section 4.d**. The amount of Mandatory Partial Prepayment equals the amount necessary so that the Special Tax that can be levied on a Parcel after a Mandatory Partial Prepayment is made is equal to the Assigned Special Tax or Maximum Annual Special Tax that could have been levied before the Prepayment. When required, the Mandatory Partial Prepayment for each Parcel will be calculated as follows (See **Table 3** for a sample Mandatory Partial Prepayment):
1. Calculate the revenue generated by all Taxable Parcels using 100-percent of the Assigned Special Tax in any Fiscal Year, including the Assigned Special Tax for Final Map Parcels included in the Subdivision.
 2. Determine the 100-percent level of the Assigned Special Tax revenue in any Fiscal Year provided by the Final Subdivision Map, assuming that all Final Map Parcels have a Building Permit for a Single-Family Parcel of less than 2,601 Building Square Footage.
 3. Determine the Total Assigned Special Tax Revenue shortfall by taking the Total Assigned Special Tax Revenue for all Taxable Parcels less the amounts calculated in **Step 7.c.1** and **Step 7.c.2**.
 4. Divide the Maximum Annual Special Tax shortfall by the Total Assigned Special Tax Revenue to determine the Benefit Share.
 5. Multiply the total Outstanding Bonds by the Benefit Share to determine the Mandatory Partial Prepayment for the Parcel.
 6. Determine the total amount of Bonds to be called by rounding the Mandatory Partial Prepayment down to the nearest \$5,000.
 7. Determine the Reserve Fund Share for the Prepayment Parcel by multiplying the Reserve Fund Requirement times the Benefit Share
 8. Reduce the amount calculated in **Step 7.c.6** by the amount of the Reserve Fund Share in **Step 7.c.7**, provided the Reserve Fund equals or exceeds the Reserve Fund Requirement after reduction.
 9. Add to the amount in **Step 7.c.8** any fees, call premiums, and interest to the next Bond call date not covered by Special Taxes already levied, and expenses incurred by the CFD in connection with the Prepayment calculation or the application of the proceeds of the Prepayment to the call of Outstanding Bonds as described in **Step 7.c.8** above.

8. Interpretation, Application, and Appeal of Special Tax Formula and Procedures

Any taxpayer who feels the amount of the Special Tax assigned to a Parcel is in error may file a notice with the Administrator appealing the levy of the Special Tax. The Administrator then will promptly review the appeal and, if necessary, meet with the applicant. If the Administrator verifies that the tax should be modified or changed, the Special Tax levy will be corrected and, if applicable in any case, a credit or refund will be granted.

Interpretations may be made by the City, without Resolution or Ordinance of the Council, for purposes of clarifying any vagueness or ambiguity as it relates to the Special Tax rate, the method of apportionment, the classification of properties, or any definition applicable to the CFD.

Without Council approval, the Administrator may make minor, non-substantive administrative and technical changes to the provisions of this Exhibit that do not materially affect the rate, method of apportionment, and manner of collection of the Special Tax for purposes of administrative efficiency or convenience or to comply with new applicable federal, state, or local law.

9. Manner of Collection

The Special Tax will be collected in the same manner and at the same time as ad valorem property taxes, provided, however, that the Administrator or its designee may directly bill the Special Tax and may collect the Special Tax at a different time, such as on a monthly or other periodic basis, or in a different manner, if necessary, to meet the City's financial obligations.

Attachment 1				
Curtis Park Village CFD No. 2014-02 (Improvements)				
Assigned Special Tax and Maximum Annual Special Tax in the Base Year [1]				
Tax Category	No. of Units	Assigned Special Tax [1]	Maximum Assigned Special Tax Revenue	Maximum Annual Special Tax [1]
Developed Parcels		<i>per Unit</i>		<i>per Unit</i>
Single-Family Parcels				
Building Square Footage Range				
Greater than 3,100	23	\$3,600	\$82,800	\$3,600
2,601 to 3,100	70	\$3,200	\$224,000	\$3,200
Less than 2,601	106	\$2,400	\$254,400	\$2,820
Lot No. 2 through 75 [2]	74	\$2,400	\$177,600	\$2,400
Developed Parcel Subtotals	273		\$738,800	
		<i>per Acre</i>		<i>per Acre</i>
Other Land Use Parcels		\$25,040		\$25,040
		<i>per Acre</i>		<i>per Acre</i>
Final Map Parcels		\$25,040		\$25,040
		<i>per Unit</i>		<i>per Unit</i>
Lot No. 2 through 75 Final Map Parcels [2]		\$2,400		\$2,400
		<i>per Acre</i>		<i>per Acre</i>
Undeveloped Parcels		\$25,040		\$25,040
				<i>"att_1"</i>
[1] The Assigned Special Tax and Maximum Annual Special Taxes increase by the Tax Escalation Factor in each Fiscal Year following the Base Year.				
[2] These are lot numbers in the initial Final Subdivision Map of the CFD that have been acquired by BlackPine. Final Map of Curtis Park Village 2B & 3, Phase 1, recorded February 18, 2014 in Book 380 of Maps at Page 10.				

Table 1			
Curtis Park Village CFD No. 2014-02 (Improvements)			
Full Prepayment Calculation Before Bond Issuance			
Item	RMA Reference	Formula	Amount
Assigned Special Tax	7.a.1	a	3,600.00
Total Assigned Special Tax	7.a.2	b	738,800.00
Benefit Share for the Prepayment Parcel	7.a.2	$c = a / b$	0.487%
Base Year Anticipated Construction Proceeds	Definition	d	10500000.00
Construction Proceeds Levied Pay-As-You Go	Definition	e	200000.00
Remaining Facilities Costs	Definition	$f = d - e$	10300000.00
Base Year ENR-CCI	Definition	g	9000.00
ENR-CCI in Example Fiscal year	n/a	h	9500.00
ENR-CCI Adjustment Factor	n/a	$i = g / h$	105.6%
Adjusted Remaining Facilities Cost	n/a	$j = f * i$	10,872,222.22
Total Facility Cost Share for Prepayment Parcel	7.a.3	$k = c * j$	52,977.80
City Costs	7.a.4	j	500.00
Total Prepayment	n/a	$l = i + j + k$	53,477.80

Table 2			
Curtis Park Village CFD No. 2014-02 (Improvements)			
Full Prepayment Calculation After Bond Issuance (with Pay-As-You-Go Basis)			
Item	RMA Reference	Formula	Amount
Assigned Special Tax	7.b.1	a	3,600.00
Total Assigned Special Tax	7.b.2	b	738,800.00
Benefit Share for the Prepayment Parcel	7.b.2	$c = a / b$	0.487%
Base Year Anticipated Construction Proceeds	Definition	d	10,500,000.00
Total Bonds Issued	n/a	e	6,000,000.00
Construction Proceeds Levied Pay-As-You Go [1]	Definition	f	200,000.00
Bond Principal Paid	n/a	g	450,000.00
Total Bonds Outstanding ^{1,2}	n/a	$h = e - g$	5,550,000.00
Outstanding Bond Share for Prepayment Parcel	7.b.3	$i = c * h$	27,043.85
Remaining Facility Costs	Definition	$j = d - e - f$	4,300,000.00
Base Year ENR-CCI	Definition	k	9000
ENR-CCI in Example Fiscal year	n/a	l	9500
ENR-CCI Adjustment Factor	n/a	$m = k / l$	105.6%
Adjusted Anticipated Remaining Construction Proceeds	n/a	$n = j * m$	4,538,888.89
Remaining Facility Cost Share for the Prepayment Parcel	7.b.4	$o = c * n$	22,116.95
Sum of Bond Share and Remaining Facility Cost Share	7.b.5	$p = i + o$	49,160.80
Bonds called due to prepayment	7.b.6	$q = \text{Rounddown}(i/5000,0) * 5000$	25,000.00
Bond Call Premium ³	7.b.7	$r = q * .02$	500.00
Reserve Fund Requirement	Definition	s	600,000.00
Less Reserve Fund Share	7.b.9	$t = s * c$	(2,923.66)
City Costs	7.b.10	u	500.00
Total Prepayment	7.b.10	$v = p + r + t + u$	47,237.14
¹ Example shows payoff in fifth year after two years of pay-go and bonds issued in the second year.			
² Principal Paid assumes \$450,000 principal paid in two years			
³ Assumes two percent bond call premium, see the bond documents for the premium to apply at the time of prepayment.			
Remaining Facilities Cost calculation needs to net out the Pay-as-you-go levy amounts			

Table 3			
Curtis Park Village CFD No. 2014-02 (Improvements)			
Mandatory Partial Prepayment Calculation After Bond Issuance			
Item	RMA Reference	Formula	Amount
Revenue Test			
Revenue provided by Developed Parcels (at Base Year) ¹	7.c.1	$a = 74 \text{ parcels} * \$2,400 + 189 * \$2,820$	710,580.00
Revenue Generated by Subdivided Parcels (at Base Year) ²	7.c.2	$b = (\# \text{ of Parcels to be subdivided into}) * 2,400$	24,000.00
Base Year Total Assigned Special Tax Revenue	Definition	c	738,800.00
Maximum Annual Special Tax Shortfall	7.c.3	$d = c - a - b$	4,220.00
Benefit Share of the Prepayment Parcel	7.c.4	$e = d / c$	0.57%
Total Bonds Issued	Definition	f	10,500,000.00
Bond Principal Paid	n/a	g	450,000.00
Total Outstanding Bonds ³	Definition	$h = f - g$	10,050,000.00
Outstanding Bond Share for Prepayment Parcel	7.c.5	$i = e * h$	57,405.25
Total Bond Call	7.c.6	$j = \text{Rounddown}(i / 5000, 2) * 5000$	55,000.00
Bond Call Premium ⁴	7.c.9	$k = j * .02$	1,100.00
City Costs	7.c.9	l	500.00
Release of Bond Reserve ⁵	7.c.7	$m = f * .1$	(5,500.00)
Total Mandatory Prepayment	7.c.9	$n = i + k + l + m$	53,505.25

¹ Example assumes 263 Developed Parcels (Less than 2601 Square Feet).

² Assumes 1.5 Acre Parcel Subdivided into 10 Single Family Residential Lots (Less than 2600 Sq Ft).

³ Assumes 450,000 of Principal has been paid in two years.

⁴ Assumes two percent bond call premium, see the bond documents for the premium to apply at the time of prepayment.

⁵ Assumes Debt Service Reserve of 10% of Original Principal.

*Pay-go is not included, because as an undeveloped parcel, it does not contribute to pay-go.

In this scenario there are two fewer parcels than the current projected build out of (273), and a mandatory prepayment would still be required.

RESOLUTION NO.

Adopted by the Sacramento City Council

June 24, 2014

RESOLUTION DEEMING IT NECESSARY TO INCUR BONDED INDEBTEDNESS TO FINANCE THE CONSTRUCTION AND ACQUISITION OF CERTAIN PUBLIC FACILITIES AND THE PAYMENT OF CERTAIN GOVERNMENTAL FEES IN ORDER TO MITIGATE THE IMPACTS OF DEVELOPMENT WITHIN CURTIS PARK VILLAGE COMMUNITY FACILITIES DISTRICT NO. 2014-02 (IMPROVEMENTS), CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA

BACKGROUND

- A. The City Council (Council) of the City of Sacramento (City) duly adopted its Resolution No. 2014-0124 (Resolution of Intention) on May 20, 2014, wherein the Council declared its intention to and proposed to establish a community facilities district within its jurisdictional boundaries under and pursuant to the terms and provisions of the “Mello-Roos Community Facilities Act of 1982,” being Chapter 2.5, Part 1, Division 2, Title 5 (beginning with Section 53311) of the Government Code of the State of California (Act), to be known and designated as “Curtis Park Village Community Facilities District No. 2014-02 (Improvements), City of Sacramento, County of Sacramento, State of California” (CFD), to finance the acquisition and construction of certain public capital facilities and of certain governmental fees for public capital facilities.
- B. The Council also adopted Resolution No. 2014-0135 (Resolution to Incur Bonded Indebtedness) on May 20, 2014, declaring its intention to incur a bonded indebtedness in the principal amount of not to exceed \$13 million to finance the acquisition and construction of the facilities and the governmental fees described in the Resolution of Intention.
- C. The Resolution to Incur Bonded Indebtedness fixed a time and place for a public hearing (Public Hearing) to be held by the Council to consider incurring the proposed debt and to consider any other matters set forth in the Resolution to Incur Bonded Indebtedness.
- D. Pursuant to the Resolution to Incur Bonded Indebtedness, the Public Hearing was set by the Council for Tuesday, June 24, 2014, at the hour of 6 p.m., or as soon thereafter as the Council was able to reach the matter, in the Council Chambers at the Sacramento City Hall, New City Hall, at 915 “I” Street, Sacramento, California.
- E. At the time and place set for the Public Hearing on June 24, 2014, the Council considered the amount and the term of the bonds proposed to be authorized by the CFD, and all other matters set forth in the Resolution to Incur Bonded

Indebtedness; and at the Public Hearing all persons interested, including all taxpayers, property owners, and registered voters within the CFD were given an opportunity to appear and to be heard on, and they were permitted to present any matters relating to, the necessity for incurring the bonded indebtedness to finance the costs of the acquisition and construction of the facilities and the financing of the governmental fees described in the Resolution of Intention; and the testimony of all interested persons and all taxpayers, property owners and registered voters for or against the authorization to issue bonds of the CFD or any other matters set forth in the Resolution to Incur Bonded Indebtedness, was heard and considered.

- F. All registered voters residing within the boundaries of the proposed CFD, if any, and all owners of land within the boundaries of the proposed CFD that would not be exempt from the proposed levy of special tax, were allowed to submit written protests against incurring the proposed bonded indebtedness and any aspect of the proposals contained in the Resolution to Incur Bonded Indebtedness, and were permitted to withdraw their protests prior to the close of the Public Hearing.
- G. The Council has adopted on this date its Resolution No. 2014-___ establishing the CFD (Resolution of Formation) which sets forth the special tax to be authorized within the CFD and the facilities and governmental fees that may be financed with the proceeds of the special tax collections.
- H. There are on file with the Clerk a proof of publication of the Notice of Public Hearing in the *DAILY RECORDER* and a Certificate of Mailing of Notice of Public Hearing showing mailed notice to the owners of land within the CFD.

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

- Section 1. The Council finds that the statements in the Background are true.
- Section 2. The Council accepts the proof of publication of the Notice of Public Hearing and the Certificate of Mailing the Notice of Public Hearing, and finds, based thereon, that proper notice of the Public Hearing has been given in accordance with the California Government Code, and that the Public Hearing was conducted with proper and legal notice in all respects.
- Section 3. The Council finds and determines that at the close of the Public Hearing, written protests, if any, against incurring the proposed bonded indebtedness and any aspect of the proposals contained in the Resolution to Incur Bonded Indebtedness, were submitted by less than 50 percent of the registered voters, or by less than six of the registered voters, if any, whichever is more, residing within the CFD. Similarly, the Council finds that at the close of the Public Hearing, such written protests, if any, were submitted by the owners of less than one-half of the area of land in the territory proposed to be included in the CFD and not exempt from the special tax. Thus, the Council finds that it is not precluded, by the Act, from proceeding further in this matter. The Council hereby further orders

and determines that all protests against incurring the proposed bonded indebtedness and any aspect of the proposals contained in the Resolution to Incur Bonded Indebtedness that may have been submitted, have been considered and are hereby overruled.

- Section 4. The Council hereby declares that the public convenience and necessity require, and it is necessary, that a bonded indebtedness be incurred to finance the acquisition and construction of the facilities, and the financing of the governmental fees, described in the Resolution of Formation. The authorization to finance the acquisition and construction of the facilities and fees includes incidental expenses for the facilities comprising the costs of planning and designing the facilities, together with the costs of environmental evaluations thereof, and all costs associated with the creation of the CFD, the issuance of debt (as that term is defined in the Act, "Debt"), the determination of the amount of any special taxes or the collection or payment of any special taxes and costs otherwise incurred in order to carry out the authorized purposes of the CFD, together with any other expenses incidental to the acquisition and construction of the facilities. Such costs and expenses are further described in Exhibit C to the Resolution of Formation.
- Section 5. The whole of the territory within the CFD will be benefited by the Debt and will be subject to the special tax to pay for the Debt.
- Section 6. The amount of the proposed Debt to be incurred to finance the acquisition and construction of the facilities and to finance the governmental development fees shall not exceed \$13 million, which amount may include all costs and estimated costs incidental to, or connected with, the accomplishment of the purpose for which the Debt is proposed to be incurred, including, but not limited to, the estimated costs of acquisition of land, rights-of-way, capacity or connection fees, satisfaction of contractual obligations relating to expenses or the advancement of funds for expenses existing at the time the Debt is issued pursuant to the Act, architectural, engineering, inspection, legal, fiscal, and financial consultant fees, bond and other reserve funds, discount fees, interest on any Debt of the CFD estimated to be due and payable within two years of issuance, election costs, and all costs of issuance of the Debt, including, but not limited to, fees for bond counsel, costs of obtaining credit ratings, bond insurance premiums, fees for letters of credit, and other credit enhancement costs, and printing costs.
- Section 7. The maximum term of any issue of Debt shall not exceed 40 years from the date of issuance of that issue of Debt.
- Section 8. The maximum annual rate or rates of interest to be paid on any Debt shall not exceed 12 percent per annum.

- Section 9. Pursuant to Government Code Section 53353.5, the authority to levy the special tax to finance the facilities and fees, the question of setting the appropriations limit for the CFD, and the question whether the CFD will be authorized to incur the Debt described above shall be combined into a single ballot question, and submitted to the qualified electors of the CFD at a special mailed-ballot election with ballots to be delivered to the City Clerk no later than 5:00 p.m. on Monday, July 14, 2014. If prior to that time the Clerk shall have received all of the eligible ballots to be cast, pursuant to Section 53351(j) the Clerk will at that time declare the election closed.
- Section 10. The election shall be conducted in accordance with the Council's Resolution No. 2014-___ Calling Special Mailed-Ballot Election, to be adopted this date, to which reference is made for further particulars.
- Section 11. If the ballot proposition receives the approval of two-thirds or more of the votes cast on the proposition, the Debt may be issued and sold for the purpose for which it was authorized, and the Debt (except where special funds are otherwise available) shall be paid exclusively from the annual levy of the special tax and in any and all cases is not and shall not be secured by any other taxing power or funds of the City.
- Section 12. It is the intention of the Council that any Debt issued shall be callable (may be redeemed prior to its maturity date) in accordance with the terms of the Act.
- Section 13. This resolution takes effect when adopted.

RESOLUTION NO.

Adopted by the Sacramento City Council

June 24, 2014

RESOLUTION CALLING SPECIAL MAILED-BALLOT ELECTION WITHIN CURTIS PARK VILLAGE COMMUNITY FACILITIES DISTRICT NO. 2014-02 (IMPROVEMENTS), CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA

BACKGROUND

- A. The City Council (Council) of the City of Sacramento (City), on May 20, 2014, adopted its Resolution No. 2014-0124 (Resolution of Intention) and its Resolution No. 2014-0135 (Resolution of Intention to Incur Bonded Indebtedness) thereby initiating proceedings to establish a community facilities district under and pursuant to the terms and provisions of the “Mello-Roos Community Facilities Act of 1982,” being Chapter 2.5, Part 1, Division 2, Title 5 (commencing with Section 53311) of the Government Code of the State of California (Act), to be known and designated as “Curtis Park Village Community Facilities District No. 2014-02 (Improvements), City of Sacramento, County of Sacramento, State of California” (CFD).
- B. Both the Resolution of Intention and the Resolution of Intention to Incur Bonded Indebtedness set public hearings to be held concurrently on June 24, 2014 (Public Hearing).
- C. At the close of the Public Hearing on June 24, 2014, the Council determined that there was no majority protest under Section 53324 of the Government Code.
- D. At the conclusion of the Public Hearing, the Council adopted its Resolution No. 2014-___ establishing the CFD (Resolution of Formation) pursuant to Section 53325.1 of the Government Code, and its Resolution No. 2014-___ Deeming It Necessary To Incur Bonded Indebtedness (Resolution Deeming it Necessary to Incur Bonded Indebtedness) pursuant to Section 53351 of the Government Code.
- E. In order to proceed with the levy of the special tax and establishment of an appropriations limitation for the CFD, as provided by the Resolution of Formation, and with the incurring of indebtedness as provided by the Resolution Deeming it Necessary to Incur Bonded Indebtedness, the three matters must be submitted to an election of the qualified electors of the CFD.

- F. The three ballot questions just described may be combined into a single ballot measure pursuant to Section 53353.5 of the Government Code, as provided in the form of special election ballot attached hereto as Exhibit A and by this reference incorporated herein.
- G. A Certificate Re: Registered Voters and Landowners (Certificate re: Landowners) has been filed with the City Clerk (Clerk) and submitted to the Council, certifying that at some time during the 90 days preceding the close of the Public Hearing on June 24, 2014, there were fewer than twelve persons registered to vote within the territory of the CFD.
- H. A Certificate of Clerk re: Receipt of Property Owner Waiver and Consent Forms, has been submitted by the Clerk, stating that each Landowner, or an authorized representative of each Landowner, has filed with the Clerk a properly executed Waiver, Consent and Appointment (as defined below) in the form attached hereto as Exhibit B, and by this reference incorporated herein.

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

- Section 1. The Council finds that the statements in the Background are true.
- Section 2. The Council accepts the Certificate re: Landowners filed in these proceedings and finds, in accordance therewith, that there has been a time, during the 90 days just past, when there were fewer than twelve registered voters residing within the boundaries of the CFD. Accordingly, under Section 53326(b) of the Government Code, the qualified electors of the CFD for the proposed special election shall be the owners of land within the CFD.
- Section 3. The Council further finds and determines that the Landowners are the landowners set forth in the attachment to the Certificate re: Landowners and that the attachment correctly sets forth the amount of property owned by each Landowner and the number of votes to which each Landowner is entitled pursuant to Section 53326(b), being the number of acres owned rounded up to the next whole acre.
- Section 4. The Council hereby approves the form of "Waiver and Consent Shortening Time Periods and Waiving Various Requirements for Conducting a Mailed-Ballot Election and Appointment of Representative to Act for Property Owner in Voting and Casting Ballot" (Waiver, Consent and Appointment) by which the time limits and related requirements respecting preparation and distribution of election materials are waived, a copy of which is attached hereto as Exhibit B. The Council hereby finds that the rights, procedures, and time periods therein waived are solely for the protection of the qualified electors and may be waived by the qualified electors under Section 53326(a) and 53327(b) of the Act and under other

provisions of law dealing with waiver generally, and that the Waiver, Consent and Appointment constitutes a full and knowing waiver, by any qualified elector who has executed the form, of those rights, procedures and time periods.

- Section 5. The Council further finds and determines, based on a Certificate of Clerk re: Receipt of Property Owner Waiver and Consent Forms, provided this date by the Clerk, that each Landowner, or an authorized representative of each Landowner, has filed with the Clerk a properly executed Waiver, Consent and Appointment. The Council therefore is establishing the procedures and time periods for this special mailed-ballot election without regard to statutory schedules.
- Section 6. Pursuant to Sections 53326 and 53351 of the Government Code, the Council hereby calls an election, to be held and conducted upon adoption of this Resolution, and sets July 14, 2014, as the election date. Pursuant to Section 53326 of the Government Code, the election shall be conducted by mailed ballot; provided that personal service of the respective ballots to authorized representatives of each Landowner is permitted under the terms of the Waiver, Consent and Appointment forms on file with the Clerk and shall therefore be permitted. The Clerk is directed to either mail or make personal service of the ballots, in the form of the attached Exhibit A, to each Landowner or, if one has been appointed pursuant to a Waiver, Consent and Appointment, to the Landowner's authorized representative.
- Section 7. The proposition to be submitted to the qualified electors of the CFD shall be as set forth in the form of special election ballot attached hereto as Exhibit A.
- Section 8. The Clerk is hereby designated as the official to conduct the special mailed-ballot election pursuant to the Act and California Elections Code Sections 307 and 320 and the following provisions:
- (a) The special election shall be held and conducted, and the votes canvassed and the returns made, and the results determined, as provided herein; and in all particulars not prescribed by this Resolution the special election shall be held and conducted and the votes received and canvassed in the manner provided by law for the holding of special elections consistent with the Act.
 - (b) All Landowners within the CFD as of the close of the Public Hearing shall be qualified to vote upon the proposition to be submitted at the special election.
 - (c) The special election shall be conducted as a mailed-ballot election, in accordance with the provisions of the Act and the prior

proceedings of the City taken thereunder, and there shall be no polling places for the special election. All ballots shall be delivered or mailed by the Clerk to the Landowners, and all voted ballots are required to be received by the Clerk not later than 5:00 p.m. on the date of the election in order to be counted. However, if at any time the Clerk determines that all votes have been cast, the Clerk shall immediately declare the election closed.

- (d) Each voter desiring to vote in favor of the proposition to be submitted at the special election shall mark a cross (x) or similar mark in the blank space next to the word "YES" on the ballot to the right of the proposition; and each voter desiring to vote against the proposition shall mark a cross (x) or similar mark in the blank space next to the word "NO" on the ballot to the right of the proposition. The cross (x) or similar mark may be marked with either pen or pencil.
- (e) The Clerk shall commence the canvass of the returns of the special election, and report the returns to the Council no later than the Council meeting of July 22, 2014.
- (f) The Council may thereupon declare the results of the special election, and shall cause to be spread upon its minutes a statement of the results of the special election as ascertained by the canvass.

Section 9. This resolution takes effect when adopted.

AN "X" OR OTHER MARK WILL CAST ALL VOTES ASSIGNED TO THIS BALLOT. All distinguishing marks or erasures are forbidden and make the ballot void. If you wrongly mark, tear, or deface this ballot, return it to the City Clerk and obtain another.

BALLOT MEASURE

Shall the City Council (the Council) of the City of Sacramento, by and through its "Curtis Park Village Community Facilities District No. 2014-02 (Improvements), City of Sacramento, County of Sacramento, State of California" (the CFD), be authorized to annually levy a special tax within the CFD to finance the acquisition and construction of certain public facilities and to finance certain governmental fees for public facilities , and be authorized to incur debt in the principal amount of not to exceed \$13,000,000 to pay for the facilities and fees, including the payment, using the proceeds of the special tax collections, of principal of and interest on the debt and including the repayment of funds advanced for the authorized purposes of the CFD all as described in the Council's Resolution of Formation (No. 2014-___) and in the Council's Resolution Deeming it Necessary to Incur Bonded Indebtedness (No. 2014-___), both adopted June 24, 2014; and shall the appropriations limit for the fiscal year 2014-15 for the CFD be established in the amount of \$13,000,000?

MARK "YES" OR "NO"
WITH AN "X":

YES:

NO:

Certification for Special Election Ballot

The undersigned is the above-named Landowner or the authorized representative of the above-named Landowner and is a person legally authorized and entitled to cast this ballot on behalf of the above-named Landowner.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration is executed on _____, 2014.

Signature

Print Name

EXHIBIT B
WAIVER AND CONSENT
SHORTENING TIME PERIODS AND WAIVING VARIOUS
REQUIREMENTS FOR CONDUCTING A MAILED-BALLOT ELECTION
AND APPOINTMENT OF REPRESENTATIVE TO ACT FOR PROPERTY OWNER
IN VOTING AND CASTING BALLOT

CURTIS PARK VILLAGE COMMUNITY FACILITIES DISTRICT NO. 2014-02
(IMPROVEMENTS) CITY OF SACRAMENTO, COUNTY OF SACRAMENTO,
STATE OF CALIFORNIA

I [We], _____

(print name[s])

(referred to in this document collectively as the "Undersigned") declare [check one]:

The Undersigned are ALL of the owners...

OR

The Undersigned is the authorized representative of, and in executing this document is acting for, ALL of the owners (and has attached hereto evidence of the Undersigned's authority to act for ALL of the owners in this regard), which owners are listed here:

_____ (the "Owners")

of the real property listed below by Assessor's Parcel Number ("APN"), which is within the Curtis Park Village Community Facilities District No. 2014-02 (Improvements), City of Sacramento, County of Sacramento, State of California (the "Community Facilities District"). The APN's are:

The Undersigned understands that a special mailed-ballot, landowner election will be held to determine whether the authority to levy an annual special tax on property within the Community Facilities District, including the above-numbered parcels, to finance certain public facilities and certain governmental fees, and to incur indebtedness to be secured and repaid by the special tax, and to establish an appropriations limit for the Community Facilities District all as set forth in two resolutions to be considered by the City Council of the City of Sacramento on June 24, 2014 (the Resolution of Formation and the Resolution Deeming it Necessary to Incur Bonded Indebtedness), will be conferred upon that Council. The Undersigned, on behalf of the above-referenced Owners,

requests that the election be conducted at the earliest possible date. The Undersigned is the person legally entitled and authorized to cast the ballot attributable to the above-referenced parcels in the landowner, mailed-ballot election.

The Undersigned, on behalf of the above-referenced Owners, hereby waives any and all minimum time periods relative to the election pursuant to Government Code Section 53326(a).

The Undersigned, on behalf of the above-referenced Owners, hereby waives the preparation and distribution of an impartial analysis of the ballot measure, as well as arguments in favor and against, under the authority of Government Code Section 53327(b).

The Undersigned, on behalf of the above-referenced Owners, hereby waives the requirement to publish notice of the election under Government Code Section 53352.

The Undersigned, on behalf of the above-referenced Owners, hereby waives the requirements regarding the time to mail ballots to the qualified electors under Elections Code Section 4101, and agrees that either mailed service or personal service of the ballot will be sufficient.

The Undersigned, on behalf of the above-referenced Owners, hereby waives the requirements regarding identification envelopes for the return of mailed ballots contained in Government Code Section 53327.5.

The Undersigned, on behalf of the above-referenced Owners, hereby waives any and all defects in notice or procedure in the conduct of the election, whether known or unknown (except the right to vote and to have the ballots fairly counted), and states that the election is being expedited, pursuant to this Waiver, Consent, and Appointment, at the particular instance and request of the Undersigned.

The Undersigned, on behalf of the above-referenced Owners, hereby consents to the levy and collection of the special tax on the above-referenced parcels and hereby waives any and all rights to challenge the inclusion of the above-referenced parcels in the Community Facilities District and any and all other proceedings related thereto.

Finally, the Undersigned, on behalf of the above-referenced Owners, hereby authorizes _____ [if the Undersigned will cast the ballot, enter "N/A"] to act in all respects for the above-listed property and for the above-referenced owners in casting the votes and executing the ballot assigned to the above-listed property.

The Undersigned declare[s] under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this Appointment and Waiver and Consent is signed by each of the Undersigned on the date following each signature.

Signature: _____ Date: _____

Print Name: _____

[Attach Notary Certificate]