

Meeting Date: 1/20/2015

Report Type: Public Hearing

Report ID: 2015-00027

Title: Parkebridge Maintenance Community Facilities District No. 2014-07 Public Hearing and Resolution of Formation (Noticed 01/08/2015)

Location: District 3

Recommendation: Conduct a public hearing and upon conclusion pass a Resolution establishing the Parkebridge Maintenance Community Facilities District No. 2014-07, providing for Levy of Special Tax, and calling for a Special Election on January 27, 2015.

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

Presenter: Sheri Smith, Program Specialist, (916) 808-7204, Department of Finance

Department: Finance

Division: Public Improvement Finance

Dept ID: 06001321

Attachments:

- 1-Description/Analysis
- 2-Background
- 3-Schedule of Performances
- 4-Resolution of Formation
- 5- Exhibit A to Resolution - Hearing Report
- 6-Exhibit B to Resolution - RMA
- 7-Exhibit C to Resolution-Authorized Services
- 8-Exhibit D to Resolution - Boundary Map

City Attorney Review

Approved as to Form
Michael W. Voss
1/12/2015 2:02:26 PM

Approvals/Acknowledgements

Department Director or Designee: Leyne Milstein - 1/5/2015 11:57:22 AM

Description/Analysis

Issue: Under the conditions of approval for the Parkebridge Development Project (Project), before recordation of any final parcel map, the property owners are required to annex the project area to an appropriate financing district for the maintenance of street landscaping, bike trails, parks, open space, detention basins, and other public improvements (collectively, Improvements) located within the Project.

Establishing the Parkebridge Maintenance Community Facilities District No. 2014-07 (District) will satisfy the entitlement conditions for maintenance by authorizing the City to levy special taxes in an amount sufficient to provide maintenance funding.

Policy Considerations: The recommended action is consistent with City policy to implement special levy districts to fund the maintenance and repair of the amenities, facilities, and improvements within the Project.

Environmental Considerations: Under California Environmental Quality Act guidelines, formation of a district and continuing administrative activities do not constitute a project and are therefore exempt from review.

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

Financial Considerations: The property owners will pay all costs associated with the District. The maximum special tax for each Assessor's Parcel shall be the amounts shown below for Fiscal Year (FY) 2015-16.

Single Family Residential	\$476	Per Dwelling Unit
Condominium Residential	\$476	Per Dwelling Unit
Multi-family Residential	\$476	Per Dwelling Unit
Undeveloped	\$2,790	Per Acre

A detailed explanation of the proposed special tax is in the Rate and Method of Apportionment, attached to the Resolution as Exhibit B. The formation process sets the base taxes by land use, which is reflected above. These base amounts can increase by the annual change in the Consumer Price Index, but by no more than four percent.

Local Business Enterprise (LBE): Not applicable.

SCHEDULE OF PROCEEDINGS

PARKEBRIDGE MAINTENANCE COMMUNITY FACILITIES DISTRICT (CFD) NO. 2014-07

Oct 17, 2014	City Clerk Certification of registered voters
Oct 22, 2014	100% Consent waivers due to City
Nov 5, 2014	Final RMA
Dec 16, 2014	City Council <ul style="list-style-type: none">o Adopt Resolution of Intention (sets hearing date)
Dec 17, 2014	Mail Notice of Hearing and Record Boundary Map
Dec 23, 2014	City Clerk publish notice of Public Hearing
Jan 20, 2015	City Council <ul style="list-style-type: none">o Conduct Public Hearingo Resolution of Formationo Resolution Calling Special Election
Jan 21, 2015	Mail Ballots
Jan 27, 2015	Ballots Due
Feb 3, 2015	City Council <ul style="list-style-type: none">o Adopt Resolution Declaring Results of Special Electiono Pass for Publication Ordinance to Levy Tax
Feb 4, 2015	Record Notice of Special Tax
Feb 10, 2015	City Council <ul style="list-style-type: none">o Adopt Ordinance to Levy Special Tax

RESOLUTION NO.

Adopted by the Sacramento City Council

ESTABLISHING THE PARKEBRIDGE MAINTENANCE COMMUNITY FACILITIES DISTRICT NO. 2014-07; PROVIDING FOR THE LEVY OF A SPECIAL TAX THEREIN TO FINANCE MAINTENANCE SERVICES; AND CALLING A SPECIAL ELECTION ON THE QUESTION OF LEVYING THE SPECIAL TAX AND ESTABLISHING AN APPROPRIATIONS LIMIT

BACKGROUND

- A. On December 16, 2014, the City Council adopted Resolution No. 2014-0408 (Resolution of Intention) declaring its intention to establish the Parkebridge Maintenance Community Facilities District No. 2014-07 (District) and describing the boundaries of the territory proposed for inclusion in the District.
- B. The City Council has duly considered the advisability and necessity of establishing a community facilities district and levying a special tax therein to pay for maintenance and related services to be provided within the District, all under the Mello-Roos Community Facilities Act of 1982 (Act) and chapter 3.124 of the Sacramento City Code (Chapter 3.124).
- C. The Resolution of Intention fixed a time and place for a public hearing at which the City Council would consider: (1) the establishment of the District; (2) the proposed rate, method of apportionment, and manner of collection of a special tax to finance providing the services for the District; and (3) all other matters set forth in the Resolution of Intention.
- D. The City's Public Improvement Finance Manager caused a report on the proposal to establish the District in accordance with the Resolution of Intention. The City Council has reviewed the report, which is incorporated into this resolution as Exhibit A and made a part of the record of the public hearing on the Resolution of Intention.
- E. In accordance with the Resolution of Intention, a public hearing was scheduled for 6:00 p.m. on Tuesday, January 20, 2015, in the City Council's regular meeting place: City Council Chambers, New City Hall, 915 I Street, first floor, Sacramento, California. At the hearing, the City Council considered the establishment of the District; the proposed rate, method of apportionment, and manner of collection of the special tax; and all other matters set forth in the Resolution of Intention. All persons interested in these matters, including all taxpayers, property owners, and registered voters within the District, were given an opportunity to appear and be heard, and the City Council heard and considered the testimony of all such interested persons for or against the following: the establishment of the District; the levy of the special tax; the extent of the District's territory; the types of services proposed to be provided within the District, and any other matters set forth in the Resolution of Intention. The special tax was not precluded by a majority protest under Government Code section 53339.6, and at the conclusion of the hearing the City Council was fully advised in the premises and was authorized to proceed as provided in this resolution.
- F. All owners of property within the proposed boundaries of the District have agreed to waive the following time limits and other requirements, but only with regard to proceedings to establish the District and conduct the special election: (a) all time limits specified in section 53326, subdivision (a), of the Act (pertaining to the election on the proposed special tax); (b) preparation of an impartial analysis of the ballot measure that submits the special tax to the qualified electors of

the District, as well as preparation of arguments for and against the measure; (c) the requirements in Elections Code section 4101 regarding the time to mail ballots to the qualified electors; (d) the requirements in section 53327.5 of the Act regarding "identification envelopes" for the return of mailed ballots; (e) any defects of notice or procedure in the conduct of the election, whether known or unknown, so long as the defects do not infringe the right to vote and have the ballots fairly counted.

- G. On the basis of all the foregoing, the City Council has determined to call an election within the District to authorize the following: (1) the levy of a special tax on real property within the District to pay for the services proposed to be provided for the District (the rate, method of apportionment, and manner of collection of the tax are more particularly described in Exhibit B to this resolution); and (2) the establishment of an appropriations limit for the District.

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

- Section 1 The City Council finds and determines that the recitals set forth above are true.
- Section 2 The City Council approves the Resolution of Intention and confirms all of its determinations and findings. The rate, method of apportionment, and manner of collection of the special tax for the District are set forth in Exhibit B to this resolution. Upon recordation of a notice of special-tax lien in accordance with Streets and Highways Code section 3114.5, a continuing lien to secure each levy of the special tax will attach to all nonexempt real property in the District. The lien will continue in perpetuity or until such time as the City determines it no longer needs the special-tax to fund authorized services of the District.
- Section 3 The City Council determines and finds that written protests against the establishment of the District, the levy of the special tax, the extent of the District, and the types of services to be provided as set forth in Exhibit C do not constitute a majority protest under the Act. Accordingly, the City Council overrules all protests to the establishment of the District, to the levy of the special tax, the extent of the District, the types of services to be provided, or the establishment of an appropriations limit for the District.
- Section 4 The City Council determines and finds that all of its prior proceedings with respect to the establishment of the District are valid and conform to the requirements of the Act. Accordingly, the City Council determines and orders, consistent with the Resolution of Intention and in accordance with the Act, that the boundaries of the District are as set forth in Exhibit D to this resolution and as recorded in the office of the Sacramento County Clerk/Recorder on December 19, 2014, in Book 117 of Maps of Assessment and Community Facilities Districts at Page 0034, Document BK 20141219PG0226.
- Section 5 Except when funds are otherwise available, a special tax will be levied annually on real property within the District in an amount sufficient to do the following, as appropriate: (a) pay for the services set forth in Exhibit C; (b) repay funds the City advances for the District; and (c) repay advances of funds or reimburse the value or cost (whichever is less) of work provided in kind for the District under agreements between the City and the persons or entities advancing the funds or providing the work (these agreements will not constitute debts or liabilities of the City). The special tax will be secured by recordation of a continuing lien against all nonexempt property in the District. Exhibit B to this resolution 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

District to estimate the maximum amount that the landowner or resident will have to pay.

Section 6 A special election is ordered to be held, in accordance with the Act, applicable law, and this resolution, on **Tuesday, January 27, 2015**, in the territory comprised by the District. At the special election, the question of levying the special tax on real property within the District and establishing an appropriations limit (as defined by article XIII B, section 8, subdivision (h) of the California Constitution) for the District in the amount of **\$450,000** per fiscal year will be submitted to the landowners within the District (who are the electors and persons qualified to vote at the special election).

Section 7 The City Clerk is designated as the official to conduct the special election in accordance with the Act, applicable law, and the following provisions:

- (a) The special election shall be held and conducted, the votes canvassed and the returns made, and the results ascertained and determined, all as provided in this section. 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 holding of general elections in the City and consistent with the Act.
- (b) All landowners within the District on the date of the special election will be qualified to vote on the proposition submitted at the special election.
- (c) The special election shall be conducted as a mailed-ballot election in accordance with Elections Code sections 4000, 4002, 4003, 4004, and 4108 and the City's prior proceedings under those sections, and there will be no polling places for the special election. The City Clerk shall deliver all ballots to the qualified electors, and all voted ballots must be received at the City Clerk's office **by 4:00 p.m. on the election day** to be counted. If, however, all qualified electors have voted before that date and time, then the election will be closed.
- (d) To vote for levying the special tax and establishing the appropriations limit, a voter must mark a cross (X) in the blank space opposite the word "YES" on the ballot to the right of the proposition. To vote against levying the special tax and establishing the appropriations limit, a voter must mark a cross (X) in the blank space opposite 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 City Clerk shall commence the canvass of the returns of the special election at **5:00 p.m. on Tuesday, January 27, 2015**, at the City Clerk's office, 915 I Street, fifth floor, Sacramento, California, and at the conclusion of the canvass shall determine the results of the special election. If all the qualified voters have voted before that date and time, then the City Clerk shall close the special election and proceed to canvass the returns and determine the results.
- (f) The City Council shall meet at its regular meeting on **Tuesday, February 3, 2015, at 6:00 p.m.** at its usual meeting place and 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 8 If two-thirds of the votes cast upon the question of levying the special tax and

establishing the appropriations limit are cast in favor of levying the special tax and establishing the appropriations limit, as determined by the City Council after reviewing the canvass of the returns of the election, then the City Council may levy the special tax within the territory of the District in accordance with the Act, in the amount and for the purposes specified in this resolution, and the appropriations limit, as defined by article XIII B, section 8, subdivision (h) of the California Constitution, will be established for the District. The special tax may be levied only at the rate and may be apportioned only in the manner specified in this resolution, subject to the Act, except that the special tax may be levied at a rate lower than the rate specified in Exhibit B. The special tax may be levied only so long as it is needed to pay for the services identified in Exhibit C (including the repayment of funds advanced for the District).

Section 9 The City's Manager of the Public Improvement Financing Division, Department of Finance, 915 I Street, 3rd Floor, Sacramento, California 95814 (telephone 916-808-8788) shall annually prepare a current roll of special-tax levy obligations by the Sacramento County Assessor's parcel numbers and shall estimate future special-tax levies in accordance with Government Code section 53340.2.

Section 10 Exhibits A, B, C, and D are part of this resolution.

Table of Contents:

Exhibit A: Hearing Report

Exhibit B: Rate and Method of Apportionment of Special Tax

Exhibit C: List of Authorized Services

Exhibit D: Area Map of Proposed Boundary

EXHIBIT A



HEARING REPORT

City of Sacramento
Parkebridge Maintenance
Community Facilities District No. 2014-07

TABLE OF CONTENTS

	<u>Page</u>
<i>I. Introduction</i>	1
Background	1
Purpose of the Analysis	2
Organization of the Report.....	2
 <i>II. Annual Maintenance Costs and Maximum Annual Special Tax</i>	 3
Maintenance Costs and Cost Allocation	3
Maximum Annual Special Tax	4
 <i>III. Structure of the Proposed CFD</i>	 4
Description of the Community Facilities District.....	4
CFD Boundaries	4
Annual Costs to be Funded by the CFD	4
Determination of Parcels Subject to Special Tax.....	5
Termination of the Special Tax	5
Setting the Annual Special Tax Rate	5
Prepayment of Special Tax Obligation.....	5
Manner of Collection.....	6

Exhibits

- Exhibit A: Rate and Method of Apportionment of Special Tax
- Exhibit B: List of Authorized Services
- Exhibit C: Proposed Boundary Map

LIST OF FIGURES

	<u>Page</u>
Figure 1 Proposed Boundaries and Location of Detention Basin and Pedestrian Bridge	1
Figure 2 Parkebridge CFD – Maximum Annual Special Tax by Category	3

I. INTRODUCTION

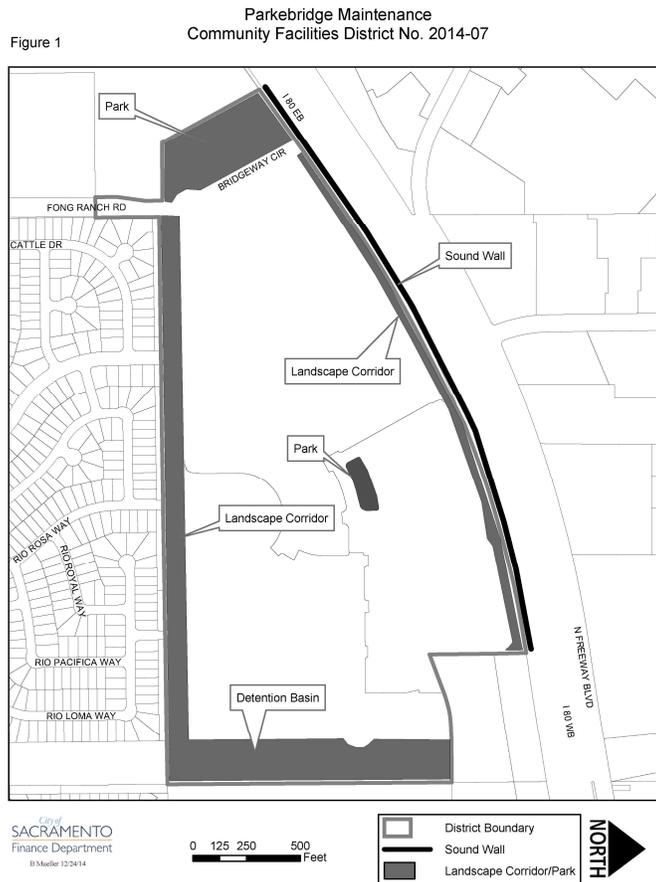
Background

The property owner of the Parkebridge Development Project has requested the establishment of a community facilities district to provide for the maintenance of roadway facilities, transit facilities, parks, bikeway and pedestrian paths, storm water drainage facilities and/or landscape areas within public rights-of-way.

The project site is located north of San Juan Road, south of Interstate 80 in the South Natomas neighborhood, east of Fong Ranch Road, and west of the RD-1000 drainage canal.

The project includes a 3.8 acre neighborhood park and a small .5 acre mini-park interior to the development, a sound-wall to the north of the project, landscape corridors with bike trails along the north and south perimeters, as well as a 6 acre detention basin at the easterly side.

The boundaries of the project and locations of the amenities to be maintained are as follows:



PURPOSE OF THE ANALYSIS

The purpose of this report is to present a discussion of City of Sacramento CFD No. 2014-07 (CFD) that will be used to fund maintenance of roadway facilities, transit facilities, sound-walls, parks, bikeway and pedestrian paths, storm water drainage facilities and/or landscape areas within public rights-of-way located in the Parkebridge development project.

This report serves as the Hearing Report required by the Mello-Roos Act. It discusses the public services and facilities to be funded, the structure of the CFD, and the Maximum Annual Special Taxes.

ORGANIZATION OF THE REPORT

Chapter II describes the annual maintenance costs and determination of the maximum annual special tax. **Chapter III** describes the structure of the proposed CFD and the Rate and Method of Apportionment of Special Tax (“Special Tax Formula”).

Three exhibits are attached to this report. **Exhibit A** is the Rate and Method of Apportionment (the “Tax Formula”). **Exhibit B** is the list of authorized services to be funded by the CFD. **Exhibit C** provides the boundary map for the proposed CFD.

II. ANNUAL MAINTENANCE COSTS AND MAXIMUM ANNUAL SPECIAL TAX

The CFD is being formed to fund the maintenance of roadway facilities, transit facilities, sound-walls, parks, bikeway and pedestrian paths, storm water drainage facilities and/or landscape areas within public rights-of-way located in the Parkebridge development project. The special tax will be levied on all parcels within the CFD based on each parcel’s classification: Developed Parcel, Final Use Parcel, Undeveloped Parcel or Tax-Exempt Parcel. Each Developed Parcel will be assigned total Units for all Residential Parcels and Mixed-Use Buildings.

MAINTENANCE COSTS AND COST ALLOCATION

The total cost of authorized services is estimated at \$252,498 in the base year of Fiscal 2015/2016. The Maximum Annual Special Tax by Land Use Category is presented below.

**Figure 2
Parkebridge Maintenance Community
Facilities District No. 2014-07
Maximum Annual Special Tax by Category (Base Year 2015-16)**

Land Use Category	Maximum Annual Special Tax [1]	
Developed Parcels		
Residential Parcels	\$476	per Residential Unit
Condominium Unit	\$476	Per Residential Unit
Multifamily Residential Uses	\$476	Per Residential Unit
Mixed-Use Residential Uses	\$476	Per Residential Unit
Final Use Parcels	\$2790	per Acre
Undeveloped Parcels	\$2790	per Acre

[1] The Maximum Annual Special Tax is increased by the Tax Escalation Factor in each Fiscal Year after the Base Year.

MAXIMUM ANNUAL SPECIAL TAX

The CFD's annual maintenance and services costs will be funded through the collection of special taxes levied against the property within the CFD. The Maximum Annual Special Tax for all parcels within the District for Fiscal Year 2015-16 is \$252,498. On July 1, 2016, and each July 1 thereafter, the Maximum Special Tax will be increased (but not decreased) using the Consumer Price Index (CPI) (prior calendar year annual average, San Francisco, All Urban Consumers (CPI-U) Index). The maximum increase in any Fiscal Year may not exceed 4 percent.

III. STRUCTURE OF THE PROPOSED CFD

DESCRIPTION OF THE COMMUNITY FACILITIES DISTRICT

Special taxes within the CFD will be levied according to the Rate and Method of Apportionment of Special Tax (the "Tax Formula"). The attached exhibits contain the formation documents for the CFD. **Exhibit A** contains the Tax Formula, and **Exhibit B** is the list of authorized services to be funded by the CFD. The purpose of the CFD is to provide funding for the maintenance of roadway facilities, transit facilities, sound-walls, parks, bikeway and pedestrian paths, storm water drainage facilities and/or landscape areas within the public rights-of-way located in the Parkebridge development project, as authorized by the CFD.

CFD BOUNDARIES

Exhibit C shows the proposed boundary map for the CFD. The approximate CFD boundaries are north of San Juan Road, south of Interstate 80, east of Fong Ranch Road, and west of the RD-1000 drainage canal.

ANNUAL COSTS TO BE FUNDED BY THE CFD

Annual costs for maintenance of roadway facilities, transit facilities, sound-walls, parks, bikeway and pedestrian paths, storm water drainage facilities and/or landscape areas within the public rights-of-way are estimated to be no more than \$252,498 in the base year of Fiscal 2015-16. The base maximum annual special tax will be adjusted annually by CPI (not to exceed 4 percent in any given year) to account for increases in maintenance, operation, and energy costs.

DETERMINATION OF PARCELS SUBJECT TO SPECIAL TAX

The City shall prepare a list of parcels subject to the Special Tax using the records of the City of Sacramento and the County Assessor. The City will classify each parcel as a Developed Parcel, Final Use Parcel, Undeveloped Parcel, or Tax Exempt Parcel. The City shall assign the Maximum Special Tax to each Developed Parcel, Final Use Parcel, and Undeveloped Parcel. All parcels shall be taxed except those that are declared tax-exempt. Taxable parcels that are acquired by a public agency after the CFD is formed will be re-classified as tax-exempt provided it is determined by the City, in the exercise of its sole discretion, that it is no longer used for private purposes. Conversely, if a tax-exempt parcel ceases to be classified as a Public Parcel or Undeveloped Parcel and is converted to a taxable use, it shall become subject to the Special Tax if it meets the definitions of a Taxable Parcel.

TERMINATION OF THE SPECIAL TAX

The special tax will be levied and collected in perpetuity.

SETTING THE ANNUAL SPECIAL TAX RATE

The City shall assign the maximum annual special tax per taxable parcel based on **Attachment 1** in Exhibit A, Rate and Method of Apportionment of Special Tax as adjusted annually by the Tax Escalation Factor. The City shall then create a budget for the CFD that takes into account all reasonable and allowable costs, any carryover reserves from prior years and any ending balance that is considered to be necessary for prudent financial management. Additional funding required to meet the budget will be the tax requirement and may never exceed the maximum annual special tax per residential unit for Developed Parcels or per acre for Final Use or Undeveloped Parcels.

Once completed, the City will prepare the Tax Collection Schedule for each Parcel and send it to the County Auditor requesting that it be placed on the general, secured property tax roll for the following Fiscal Year. The Tax Collection Schedule shall not be sent later than the date required by the Auditor for such inclusion.

PREPAYMENT OF SPECIAL TAX OBLIGATION

Prepayment of special taxes is not permitted.

MANNER OF COLLECTION

The special tax will be collected in the same manner and at the same time as *ad valorem* property taxes unless the City chooses another alternative pursuant to the Rate and Method of Apportionment of Special Tax.

Exhibits:

Exhibit A: Rate and Method of Apportionment of Special Tax

Exhibit B: List of Authorized Services

Exhibit C: Proposed Boundary Map

EXHIBIT A
CITY OF SACRAMENTO, CALIFORNIA
PARKEBRIDGE MAINTENANCE COMMUNITY FACILITIES DISTRICT
No. 2014-07

*RATE AND METHOD OF APPORTIONMENT AND MANNER OF
COLLECTION OF SPECIAL TAXES*

1. Basis of Special Tax Levy

A Special Tax authorized under the Mello-Roos Community Facilities Act of 1982 applicable to the land in Parkebridge Maintenance Community Facilities District No. 2014-07 (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

“**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 directly related to the formation and administration of CFD, including, but not limited to: the costs of computing the Special Tax and preparing the annual Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Special Tax (whether by the County or otherwise); the costs to the City, CFD, or any designee thereof of complying with City or CFD disclosure requirements; the costs associated with responding to public inquiries regarding the Special Tax; the costs of the City, CFD, or any designee thereof related to an appeal of the Special Tax; and the City’s annual administration fees and third-party expenses.

“**Annual Costs**” means the amount required in any Fiscal Year for the CFD to: (1) pay for Authorized Services as shown on **Attachment 2**; and (2) pay Administrative Expenses.

“**Authorized Services**” mean those services listed in **Attachment 2**.

“**Base Year**” means the Fiscal Year beginning July 1, 2015 and ending June 30, 2016.

“**Building Permit**” means the issuance of a City building permit for the construction of Residential Building, Condominium Structure, or Mixed-Use Building in the CFD.

“**CFD**” means the City of Sacramento Parkebridge Maintenance Community Facilities District No. 2014-07.

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

“City” means the City of Sacramento in Sacramento County, California.

“Condominium Structure” means a residential, commercial or mixed use structure consisting of two or more units that share common walls and that may be legally offered as for-sale units, including such structures that meet the statutory definition of a condominium contained in Civil Code Section 4125.

“Condominium Unit” means a Residential Unit included as part of a Condominium Structure.

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

“Council” means the City Council of the City of Sacramento 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 the preparation of the tax roll.

“Developed Parcel” means a Parcel for which a Building Permit or special use permit has been issued for a Residential Building or Mixed-Use Building within the CFD. A Developed Parcel will be reclassified as a Final Use Parcel if a Building Permit on a Parcel is revoked, abandoned or expires.

“Final Use Parcel” means a Residential Parcel, Mixed Use Parcel, or Multifamily Residential Parcel for which no further development approval is required for the issuance of a Building Permit.

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

“Maximum Annual Special Tax” means the greatest amount of Special Tax that can be levied against a Taxable Parcel.

“Maximum Annual Special Tax Revenue” means the greatest amount of Special Tax revenue that can be collected by levying the Maximum Annual Special Tax against a group of Taxable Parcels (Developed Parcels, Undeveloped Parcels or Final Use Parcels).

“Maximum Annual Special Tax Rate per Unit” means the amount shown in **Attachment 1** for the Base Year that is assigned per Residential Unit for a Residential Parcel or Residential Units in a Mixed-Use Building. The Maximum Annual Special Tax Rate per Unit is adjusted annually by the Tax Escalation Factor in each Fiscal Year following the Base Year.

“Mixed-Use Building” means a structure on a Mixed-Use Parcel designated for nonresidential and residential uses. A Mixed-Use Building may be either a vertical or horizontal Mixed-Use Building.

“Mixed-Use Parcel” means a Parcel designated for nonresidential and residential uses.

“Multifamily Residential Parcel” means a Parcel with Multifamily Residential Use structures.

“Multifamily Residential Use(s)” means a Parcel designated for multifamily residential apartment uses.

“Nonresidential Parcel” means a Parcel with a use designated for commercial, retail, office, church, institutional (such as hospital), industrial, manufacturing, or other similar land uses. Nonresidential Parcels are exempt from the Special Tax; however, Residential Uses on a Mixed-Use parcel shall be subject to the Special Tax.

“Parcel” means any County Assessor’s Parcel in the CFD based on the equalized tax rolls of the County as of January 1 of each Fiscal Year.

“Parcel Number” means the Assessor’s Parcel Number for any Parcel based on the equalized tax rolls of the County as of January 1 of each Fiscal Year.

“Public Parcel” means any Parcel, in its entirety, that is publicly owned that is normally exempt from the levy of general ad valorem property taxes under California law, including public streets, schools, parks, public drainage ways, public landscaping, wetlands, greenbelts, and public open space. These parcels are exempt from the levy of Special Taxes. Any such Parcel will be a Tax-Exempt Parcel.

“Residential Building” means a residential structure on a Residential Parcel with land uses designated for residential use, such as single-family residential, residential uses on a mixed-use parcel, multifamily residential, low-income single-family residential, age-restricted single-family or multifamily uses, assisted living or congregate care facilities.

“Residential Unit” means a residential dwelling unit constructed on a single family residential Parcel, constructed in a Condominium Structure, or constructed on a Multifamily Residential Parcel or a Mixed Use Parcel.

“**Residential Parcel**” means a Parcel, with land uses designated for residential uses such as single-family residential, multifamily residential, low-income single-family residential, age-restricted single-family or multifamily uses, assisted living or congregate care facilities.

“**Residential Use**” means that portion of a Parcel designated for residential use, including parking for the residential use.

“**Single Family Residential Use(s)**” means a County Assessor’s Parcel designated for detached single family residential uses.

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

“**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 an amount by which the Administrator may adjust the Maximum Annual Special Tax in each Fiscal Year after the Base Year, equal to the percentage change in the Consumer Price Index for the prior calendar year over the preceding calendar year, not to exceed four percent for any Fiscal Year.

“**Taxable Parcel**” means any Parcel that is a Developed Parcel, Final Use Parcel, or Undeveloped Parcel.

“**Tax-Exempt Parcel**” means any Public Parcel and any other Parcel that is, or is intended to be, publicly owned, as designated in any final map, that normally is exempt from the levy of general ad valorem property taxes under California law, including public streets, schools, parks, public drainage ways, landscaping, wetlands, greenbelts, and open space.

“**Undeveloped Parcel**” means a Parcel that is not a Developed Parcel, Final Use Parcel, or Tax-Exempt Parcel

3. Duration of the Special Tax

Parcels in the CFD will remain subject to the Special Tax in perpetuity.

If the Special Tax ceases to be levied, the City will 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. The Notice of Cessation of Special Tax, in addition, will 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. Assignment of Maximum Annual Special Tax

A. Classification of Parcels. By June 30 of each Fiscal Year, using the Definitions in **Section 2** above, the Parcel records of the Assessor’s Secured Tax Roll as of January 1, and other City development approval records, the CFD Administrator shall complete the following steps:

1. Classify each Parcel as a Developed Parcel, Final Use Parcel, Undeveloped Parcel, or Tax-Exempt Parcel.
2. Assign to each Developed Parcel the total Residential Units for all Residential Parcels and Mixed-Use Parcels.

B. Determination of Maximum Annual Special Tax. **Attachment 1** shows the Maximum Annual Special Tax Rate per Unit for the Base Year. In each Fiscal Year following the Base Year, the Maximum Annual Special Tax Rate per Unit shall be adjusted by the Tax Escalation Factor.

C. Assignment of Maximum Annual Special Tax. Using **Attachment 1**, the CFD Administrator shall assign the Maximum Annual Special Tax to each Developed Parcel and Final Use Parcel using the steps below:

1. Developed Parcels.

a. Residential Parcels. Assign the Maximum Annual Special Tax to each Residential Unit on a Residential Parcel using as shown on **Attachment 1**, as increased by the Tax Escalation Factor. To the extent that more than one Residential Unit is assigned to the Residential Parcel, sum the Maximum Annual Special Tax assigned to each Residential Unit to determine the Maximum Annual Special Tax for the Residential Parcel.

b. Multifamily Residential Parcel. Using the number of Residential Units on a Multifamily Parcel, multiply the Maximum Annual Special Tax per Residential Unit for Multifamily Residential uses, as shown in **Attachment 1**, as increased by the Tax Escalation Factor, times the number of Residential Units to determine the Maximum Annual Special Tax for the Multifamily Residential Parcel.

c. Mixed-Use Parcels. Using the number of Residential Units on a Mixed-Use Parcel, multiply the Maximum Annual Special Tax per Residential Unit for Mixed-Use, as shown in **Attachment 1**, as increased by the Tax Escalation Factor, times the number of Residential Units to determine the Maximum Annual Special Tax for the Mixed-Use Parcel

2. Final Use Parcels. Assign the Maximum Annual Special Tax per acre for each acre, or part thereof, for all acreage zoned for residential use and mixed use as shown in **Attachment 1**, as increased by the Tax Escalation Factor.
 3. Undeveloped Parcels. Assign the Maximum Annual Special Tax per acre for each acre, or part thereof, for all acreage zoned for residential use and mixed use as shown in **Attachment 1**, as increased by the Tax Escalation Factor.
- D. Conversion of a Tax-Exempt Parcel to a Taxable Parcel. If a Tax-Exempt Parcel ceases to be classified as a Public Parcel and is converted to a taxable use, it shall become subject to the Special Tax if it meets the definitions of a Taxable Parcel. The Maximum Annual Special Tax for such a Parcel will be assigned according to **Section 4.A** and **Section 4.B** above. Conversely, if a Parcel is converted to a Public Parcel, it shall become a Tax-Exempt Parcel.

5. Calculating Annual Special Taxes

The CFD Administrator will compute the Annual Costs and determine the Maximum Annual Special Tax for each Taxable Parcel based on the assignment of the Special Tax in **Section 4**. The CFD 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. Calculate the Special Tax levy for each Taxable Parcel by the following steps:
 - Step 1: Compute 100 percent of the Maximum Annual Special Tax Revenue for Developed Parcels.
 - Step 2: Compare the Annual Costs with the Maximum Annual Special Tax Revenue calculated in Step 1.
 - Step 3: If the Annual Costs are lower than the Maximum Annual Special Tax Revenue for Developed Parcels, decrease proportionately the Special Tax levy for each Developed Parcel until the revenue from the Special Tax levy equals the Annual Costs.
 - Step 4: If the Annual Costs are greater than the Maximum Annual Special Tax Revenue for Developed Parcels, increase proportionately the Special Tax levy for each Final Use and Undeveloped Parcel until the revenue from the Special Tax levy equals the Annual Costs, or until the Maximum Annual Special Tax has been reached.
- C. Levy on each Taxable Parcel the amount calculated above.
- D. 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.

6. Records Maintained for the CFD

As development occurs in the CFD, the CFD Administrator will maintain a file containing records of the following information for each Parcel:

- The current County Assessor's Parcel Number.
- The designated and existing uses for each parcel.
- The total number of Multifamily Residential Use Units assigned to each Parcel.
- The total acreage of Undeveloped Parcels.

The file containing the information listed above will be available for public inspection.

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

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

Interpretations may be made by Resolution of the Council for purposes of clarifying any vagueness or ambiguity as it relates to the Special Tax rate, the method of apportionment, or any definition applicable to the CFD.

Without Council approval, the CFD 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 the administrative efficiency or convenience or to comply with new applicable federal, state, or local law.

8. Prepayment of the Special Tax Obligation

The Maximum Annual Special Tax for a Taxable Parcel may not be prepaid. The Special Tax is collected to fund Authorized Services in perpetuity, or until the Council determines that the Special Tax should no longer be collected.

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 CFD 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
 Parkebridge Maintenance Community Facilities
 District No. 2014-07
 Maximum Annual Special Tax by Category (Base Year 2015-16)**

Land Use Category	Maximum Annual Special Tax [1]	
Developed Parcels		
Single Family Residential Use	\$476	per Residential Unit
Condominium Unit	\$476	per Residential Unit
Multifamily Residential Uses	\$476	per Residential Unit
Mixed-Use Residential Uses	\$476	per Residential Unit
Final Use Parcels	\$2,790	per Acre
Undeveloped Parcels	\$2,790	per Acre

[1] The Maximum Annual Special Tax is increased by the Tax Escalation Factor in each Fiscal Year after the Base Year.

Attachment 2

Parkebridge Maintenance Community Facilities District No. 2014-07
List of Authorized Services

The authorized services to be financed with the Special Tax are set forth below. The Special Tax may be levied to pay for any authorized services and to accumulate funds for that purpose. The primary function of CFD No. 2014-07 is to fund the maintenance of roadway facilities, transit facilities, parks, bikeway and pedestrian paths, storm water drainage facilities and/or landscape areas within public rights-of-way. Funds may be used within the territory of CFD No. 2014-07.

The authorized services for CFD No. 2014-07 consist of the following:

1. The repair and maintenance of roadway facilities, transit facilities, bikeway and pedestrian paths, parks, and landscaped areas within public rights-of-way, including but not limited to hardscape, special paving features, sidewalks, sound-walls, irrigation facilities, plantings, lighting, sound-walls, monuments, signage, bollards, water-quality facilities, storm-water drainage facilities, water fountains and other water features, fencing and other appurtenances within and along public rights-of-way.
2. Scheduled inspection of maintenance of roadway facilities, water-quality facilities, storm-water drainage facilities, transit facilities, bikeway and pedestrian paths, parks, and landscaped areas within public rights-of-way.
3. Paying utility bills associated with maintenance of roadway facilities, transit facilities, water-quality facilities, storm-water drainage facilities, parks, bikeway and pedestrian paths, and landscaped areas within public rights-of-way.
4. Establishing costs for CFD No. 2014-07.
5. Collecting and administering the Special Tax and annually administering CFD No. 2014-07.
6. Miscellaneous costs related to any of the items described above, including costs of planning, engineering, legal services, and administration.

Exhibit B

Parkebridge Maintenance Community Facilities District No. 2014-07

List of Authorized Services

The authorized services to be financed with the Special Tax are set forth below. The Special Tax may be levied to pay for any authorized services and to accumulate funds for that purpose. The primary function of CFD No. 2014-07 is to fund the maintenance of roadway facilities, transit facilities, parks, bikeway and pedestrian paths, storm water drainage facilities and/or landscape areas within public rights-of-way. Funds may be used within the territory of CFD No. 2014-07.

The authorized services for CFD No. 2014-07 consist of the following:

1. The repair and maintenance of roadway facilities, transit facilities, bikeway and pedestrian paths, parks, and landscaped areas within public rights-of-way, including but not limited to hardscape, special paving features, sidewalks, sound-walls, irrigation facilities, plantings, lighting, sound-walls, monuments, signage, bollards, water-quality facilities, storm-water drainage facilities, water fountains and other water features, fencing and other appurtenances within and along public rights-of-way.
2. Scheduled inspection of maintenance of roadway facilities, water-quality facilities, storm-water drainage facilities, transit facilities, bikeway and pedestrian paths, parks, and landscaped areas within public rights-of-way.
3. Paying utility bills associated with maintenance of roadway facilities, transit facilities, water-quality facilities, storm-water drainage facilities, parks, bikeway and pedestrian paths, and landscaped areas within public rights-of-way.
4. Establishing costs for CFD No. 2014-07.
5. Collecting and administering the Special Tax and annually administering CFD No. 2014-07.
6. Miscellaneous costs related to any of the items described above, including costs of planning, engineering, legal services, and administration.

Exhibit C

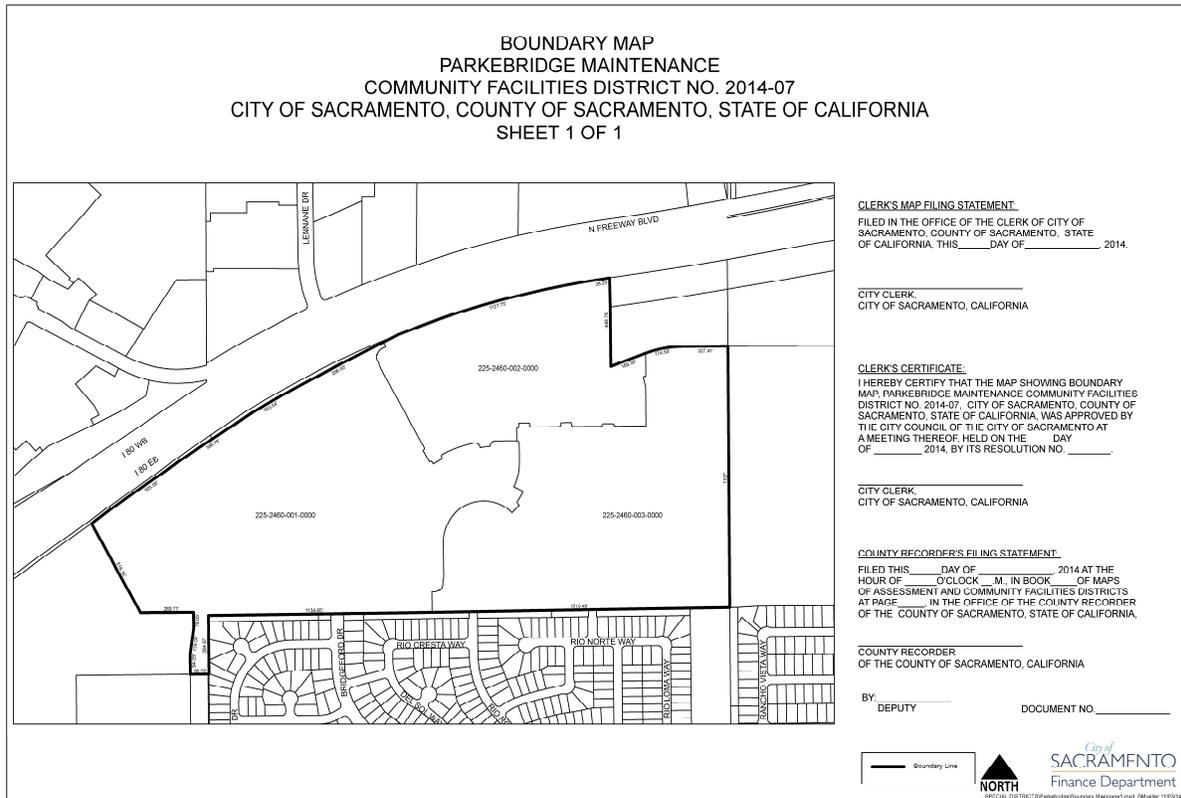


EXHIBIT B

CITY OF SACRAMENTO, CALIFORNIA
PARKEBRIDGE MAINTENANCE COMMUNITY FACILITIES DISTRICT
No. 2014-07

RATE AND METHOD OF APPORTIONMENT AND MANNER OF COLLECTION OF SPECIAL TAXES

1. Basis of Special Tax Levy

A Special Tax authorized under the Mello-Roos Community Facilities Act of 1982 applicable to the land in Parkebridge Maintenance Community Facilities District No. 2014-07 (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

"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 directly related to the formation and administration of CFD, including, but not limited to: the costs of computing the Special Tax and preparing the annual Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Special Tax (whether by the County or otherwise); the costs to the City, CFD, or any designee thereof of complying with City or CFD disclosure requirements; the costs associated with responding to public inquiries regarding the Special Tax; the costs of the City, CFD, or any designee thereof related to an appeal of the Special Tax; and the City's annual administration fees and third-party expenses.

"Annual Costs" means the amount required in any Fiscal Year for the CFD to: (1) pay for Authorized Services as shown on **Attachment 2**; and (2) pay Administrative Expenses.

"Authorized Services" mean those services listed in **Attachment 2**.

"Base Year" means the Fiscal Year beginning July 1, 2015 and ending June 30, 2016.

"Building Permit" means the issuance of a City building permit for the construction of Residential Building, Condominium Structure, or Mixed-Use Building in the CFD.

"CFD" means the City of Sacramento Parkebridge Maintenance Community Facilities District No. 2014-07.

"CFD Administrator" means the official of the City, or designee thereof, responsible for determining the Annual Costs and providing for the levy and collection of the Special Tax.

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

"Condominium Structure" means a residential, commercial or mixed use structure consisting of two or more units that share common walls and that may be legally offered as for-sale units, including such structures that meet the statutory definition of a condominium contained in Civil Code Section 4125.

"Condominium Unit" means a Residential Unit included as part of a Condominium Structure.

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

"Council" means the City Council of the City of Sacramento 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 the preparation of the tax roll.

"Developed Parcel" means a Parcel for which a Building Permit or special use permit has been issued for a Residential Building or Mixed-Use Building within the CFD. A Developed Parcel will be reclassified as a Final Use Parcel if a Building Permit on a Parcel is revoked, abandoned or expires.

"Final Use Parcel" means a Residential Parcel, Mixed Use Parcel, or Multifamily Residential Parcel for which no further development approval is required for the issuance of a Building Permit.

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

"Maximum Annual Special Tax" means the greatest amount of Special Tax that can be levied against a Taxable Parcel.

"Maximum Annual Special Tax Revenue" means the greatest amount of Special Tax revenue that can be collected by levying the Maximum Annual Special Tax against a group of Taxable Parcels (Developed Parcels, Undeveloped Parcels or Final Use Parcels).

"Maximum Annual Special Tax Rate per Unit" means the amount shown in **Attachment 1** for the Base Year that is assigned per Residential Unit for a Residential Parcel or Residential Units in a Mixed-Use Building. The Maximum Annual Special Tax Rate per Unit is adjusted annually by the Tax Escalation Factor in each Fiscal Year following the Base Year.

"Mixed-Use Building" means a structure on a Mixed-Use Parcel designated for nonresidential and residential uses. A Mixed-Use Building may be either a vertical or horizontal Mixed-Use Building.

"Mixed-Use Parcel" means a Parcel designated for nonresidential and residential uses.

"Multifamily Residential Parcel" means a Parcel with Multifamily Residential Use structures.

"Multifamily Residential Use(s)" means a Parcel designated for multifamily residential apartment uses.

"Nonresidential Parcel" means a Parcel with a use designated for commercial, retail, office, church, institutional (such as hospital), industrial, manufacturing, or other similar land uses. Nonresidential Parcels are exempt from the Special Tax; however, Residential Uses on a Mixed-Use parcel shall be subject to the Special Tax.

"Parcel" means any County Assessor's Parcel in the CFD based on the equalized tax rolls of the County as of January 1 of each Fiscal Year.

"Parcel Number" means the Assessor's Parcel Number for any Parcel based on the equalized tax rolls of the County as of January 1 of each Fiscal Year.

"Public Parcel" means any Parcel, in its entirety, that is publicly owned that is normally exempt from the levy of general ad valorem property taxes under California law, including public streets, schools, parks, public drainage ways, public landscaping, wetlands, greenbelts, and public open space. These parcels are exempt from the levy of Special Taxes. Any such Parcel will be a Tax-Exempt Parcel.

"Residential Building" means a residential structure on a Residential Parcel with land uses designated for residential use, such as single-family residential, residential uses on a mixed-use parcel, multifamily residential, low-income single-family residential, age-restricted single-family or multifamily uses, assisted living or congregate care facilities.

"Residential Unit" means a residential dwelling unit constructed on a single family residential Parcel, constructed in a Condominium Structure, or constructed on a Multifamily Residential Parcel or a Mixed Use Parcel.

"Residential Parcel" means a Parcel, with land uses designated for residential uses such as single-family residential, multifamily residential, low-income single-family residential, age-restricted single-family or multifamily uses, assisted living or congregate care facilities.

"Residential Use" means that portion of a Parcel designated for residential use, including parking for the residential use.

"Single Family Residential Use(s)" means a County Assessor's Parcel designated for detached single family residential uses.

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

"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 an amount by which the Administrator may adjust the Maximum Annual Special Tax in each Fiscal Year after the Base Year, equal to the percentage

change in the Consumer Price Index for the prior calendar year over the preceding calendar year, not to exceed four percent for any Fiscal Year.

"Taxable Parcel" means any Parcel that is a Developed Parcel, Final Use Parcel, or Undeveloped Parcel.

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

"Undeveloped Parcel" means a Parcel that is not a Developed Parcel, Final Use Parcel, or Tax-Exempt Parcel

3. Duration of the Special Tax

Parcels in the CFD will remain subject to the Special Tax in perpetuity.

If the Special Tax ceases to be levied, the City will 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. The Notice of Cessation of Special Tax, in addition, will 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. Assignment of Maximum Annual Special Tax

- A. Classification of Parcels. By June 30 of each Fiscal Year, using the Definitions in **Section 2** above, the Parcel records of the Assessor's Secured Tax Roll as of January 1, and other City development approval records, the CFD Administrator shall complete the following steps:
 1. Classify each Parcel as a Developed Parcel, Final Use Parcel, Undeveloped Parcel, or Tax-Exempt Parcel.
 2. Assign to each Developed Parcel the total Residential Units for all Residential Parcels and Mixed-Use Parcels.
- B. Determination of Maximum Annual Special Tax. **Attachment 1** shows the Maximum Annual Special Tax Rate per Unit for the Base Year. In each Fiscal Year following the Base Year, the Maximum Annual Special Tax Rate per Unit shall be adjusted by the Tax Escalation Factor.
- C. Assignment of Maximum Annual Special Tax. Using **Attachment 1**, the CFD Administrator shall assign the Maximum Annual Special Tax to each Developed Parcel and Final Use Parcel using the steps below:
 1. Developed Parcels.
 - a. Residential Parcels. Assign the Maximum Annual Special Tax to each Residential Unit on a Residential Parcel using as shown on **Attachment 1**, as increased by

the Tax Escalation Factor. To the extent that more than one Residential Unit is assigned to the Residential Parcel, sum the Maximum Annual Special Tax assigned to each Residential Unit to determine the Maximum Annual Special Tax for the Residential Parcel.

- b. Multifamily Residential Parcel. Using the number of Residential Units on a Multifamily Parcel, multiply the Maximum Annual Special Tax per Residential Unit for Multifamily Residential uses, as shown in **Attachment 1**, as increased by the Tax Escalation Factor, times the number of Residential Units to determine the Maximum Annual Special Tax for the Multifamily Residential Parcel.
- c. Mixed-Use Parcels. Using the number of Residential Units on a Mixed-Use Parcel, multiply the Maximum Annual Special Tax per Residential Unit for Mixed-Use, as shown in **Attachment 1**, as increased by the Tax Escalation Factor, times the number of Residential Units to determine the Maximum Annual Special Tax for the Mixed-Use Parcel
 2. Final Use Parcels. Assign the Maximum Annual Special Tax per acre for each acre, or part thereof, for all acreage zoned for residential use and mixed use as shown in **Attachment 1**, as increased by the Tax Escalation Factor.
 3. Undeveloped Parcels. Assign the Maximum Annual Special Tax per acre for each acre, or part thereof, for all acreage zoned for residential use and mixed use as shown in **Attachment 1**, as increased by the Tax Escalation Factor.
- D. Conversion of a Tax-Exempt Parcel to a Taxable Parcel. If a Tax-Exempt Parcel ceases to be classified as a Public Parcel and is converted to a taxable use, it shall become subject to the Special Tax if it meets the definitions of a Taxable Parcel. The Maximum Annual Special Tax for such a Parcel will be assigned according to **Section 4.A** and **Section 4.B** above. Conversely, if a Parcel is converted to a Public Parcel, it shall become a Tax-Exempt Parcel.

5. Calculating Annual Special Taxes

The CFD Administrator will compute the Annual Costs and determine the Maximum Annual Special Tax for each Taxable Parcel based on the assignment of the Special Tax in **Section 4**. The CFD 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. Calculate the Special Tax levy for each Taxable Parcel by the following steps:
 - Step 1: Compute 100 percent of the Maximum Annual Special Tax Revenue for Developed Parcels.
 - Step 2: Compare the Annual Costs with the Maximum Annual Special Tax Revenue calculated in Step 1.
 - Step 3: If the Annual Costs are lower than the Maximum Annual Special Tax Revenue for Developed Parcels, decrease proportionately the Special Tax

levy for each Developed Parcel until the revenue from the Special Tax levy equals the Annual Costs.

Step 4: If the Annual Costs are greater than the Maximum Annual Special Tax Revenue for Developed Parcels, increase proportionately the Special Tax levy for each Final Use and Undeveloped Parcel until the revenue from the Special Tax levy equals the Annual Costs, or until the Maximum Annual Special Tax has been reached.

- C. Levy on each Taxable Parcel the amount calculated above.
- D. 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.

6. Records Maintained for the CFD

As development occurs in the CFD, the CFD Administrator will maintain a file containing records of the following information for each Parcel:

- The current County Assessor's Parcel Number.
- The designated and existing uses for each parcel.
- The total number of Multifamily Residential Use Units assigned to each Parcel.
- The total acreage of Undeveloped Parcels.

The file containing the information listed above will be available for public inspection.

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

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

Interpretations may be made by Resolution of the Council for purposes of clarifying any vagueness or ambiguity as it relates to the Special Tax rate, the method of apportionment, or any definition applicable to the CFD.

Without Council approval, the CFD 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

the administrative efficiency or convenience or to comply with new applicable federal, state, or local law.

8. Prepayment of the Special Tax Obligation

The Maximum Annual Special Tax for a Taxable Parcel may not be prepaid. The Special Tax is collected to fund Authorized Services in perpetuity, or until the Council determines that the Special Tax should no longer be collected.

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 CFD 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
Parkebridge Maintenance Community Facilities
District No. 2014-07
Maximum Annual Special Tax by Category (Base Year 2015-16)

Land Use Category	Maximum Annual Special Tax [1]	
Developed Parcels		
Single Family Residential Use	\$476	per Residential Unit
Condominium Unit	\$476	per Residential Unit
Multifamily Residential Uses	\$476	per Residential Unit
Mixed-Use Residential Uses	\$476	per Residential Unit
Final Use Parcels	\$2,790	per Acre
Undeveloped Parcels	\$2,790	per Acre

[1] The Maximum Annual Special Tax is increased by the Tax Escalation Factor in each Fiscal Year after the Base Year.

Attachment 2

Parkebridge Maintenance Community Facilities District No. 2014-07
List of Authorized Services

The authorized services to be financed with the Special Tax are set forth below. The Special Tax may be levied to pay for any authorized services and to accumulate funds for that purpose. The primary function of CFD No. 2014-07 is to fund the maintenance of roadway facilities, transit facilities, parks, bikeway and pedestrian paths, storm water drainage facilities and/or landscape areas within public rights-of-way. Funds may be used within the territory of CFD No. 2014-07.

The authorized services for CFD No. 2014-07 consist of the following:

1. The repair and maintenance of roadway facilities, transit facilities, bikeway and pedestrian paths, parks, and landscaped areas within public rights-of-way, including but not limited to hardscape, special paving features, sidewalks, sound-walls, irrigation facilities, plantings, lighting, sound-walls, monuments, signage, bollards, water-quality facilities, storm-water drainage facilities, water fountains and other water features, fencing and other appurtenances within and along public rights-of-way.
2. Scheduled inspection of maintenance of roadway facilities, water-quality facilities, storm-water drainage facilities, transit facilities, bikeway and pedestrian paths, parks, and landscaped areas within public rights-of-way.
3. Paying utility bills associated with maintenance of roadway facilities, transit facilities, water-quality facilities, storm-water drainage facilities, parks, bikeway and pedestrian paths, and landscaped areas within public rights-of-way.
4. Establishing costs for CFD No. 2014-07.
5. Collecting and administering the Special Tax and annually administering CFD No. 2014-07.
6. Miscellaneous costs related to any of the items described above, including costs of planning, engineering, legal services, and administration.

Exhibit C

Parkebridge Maintenance Community Facilities District No. 2014-07 List of Authorized Services

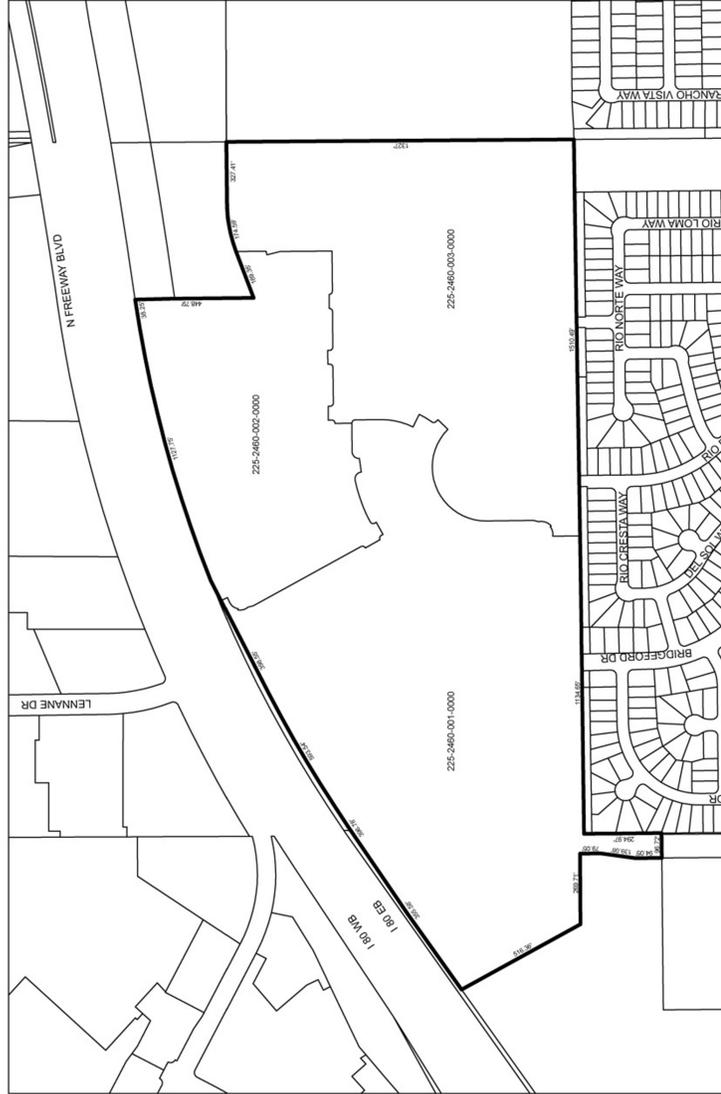
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The authorized services for CFD No. 2014-07 consist of the following:

1. The repair and maintenance of roadway facilities, transit facilities, bikeway and pedestrian paths, parks, and landscaped areas within public rights-of-way, including but not limited to hardscape, special paving features, sidewalks, sound-walls, irrigation facilities, plantings, lighting, sound-walls, monuments, signage, bollards, water-quality facilities, storm-water drainage facilities, water fountains and other water features, fencing and other appurtenances within and along public rights-of-way.
2. Scheduled inspection of maintenance of roadway facilities, water-quality facilities, storm-water drainage facilities, transit facilities, bikeway and pedestrian paths, parks, and landscaped areas within public rights-of-way.
3. Paying utility bills associated with maintenance of roadway facilities, transit facilities, water-quality facilities, storm-water drainage facilities, parks, bikeway and pedestrian paths, and landscaped areas within public rights-of-way.
4. Establishing costs for CFD No. 2014-07.
5. Collecting and administering the Special Tax and annually administering CFD No. 2014-07.
6. Miscellaneous costs related to any of the items described above, including costs of planning, engineering, legal services, and administration.

Exhibit D

BOUNDARY MAP
PARKEBRIDGE MAINTENANCE
COMMUNITY FACILITIES DISTRICT NO. 2014-07
CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA
SHEET 1 OF 1



CLERK'S MAP FILING STATEMENT.
FILED IN THE OFFICE OF THE CLERK OF CITY OF
SACRAMENTO, COUNTY OF SACRAMENTO, STATE
OF CALIFORNIA, THIS _____ DAY OF _____, 2014.

CITY CLERK
CITY OF SACRAMENTO, CALIFORNIA

CLERK'S CERTIFICATE:
I HEREBY CERTIFY THAT THE MAP SHOWING BOUNDARY
MAP PARKEBRIDGE MAINTENANCE COMMUNITY FACILITIES
DISTRICT NO. 2014-07, CITY OF SACRAMENTO, COUNTY OF
SACRAMENTO, STATE OF CALIFORNIA, WAS APPROVED BY
THE CITY COUNCIL OF THE CITY OF SACRAMENTO AT
A MEETING THEREOF, HELD ON THE _____ DAY
OF _____, 2014, BY ITS RESOLUTION NO. _____

CITY CLERK
CITY OF SACRAMENTO, CALIFORNIA

COUNTY RECORDER'S FILING STATEMENT.
FILED THIS _____ DAY OF _____, 2014 AT THE
HOUR OF _____ O'CLOCK _____ M., IN BOOK _____ OF MAPS
OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS
AT PAGE _____ IN THE OFFICE OF THE COUNTY RECORDER
OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

COUNTY RECORDER
OF THE COUNTY OF SACRAMENTO, CALIFORNIA

BY _____ DEPUTY DOCUMENT NO. _____

