



PLACER, County Recorder
 JIM MCCAULEY
 DOC- 2015-0085225-00

RECORDING REQUESTED BY AND
 WHEN RECORDED PLEASE RETURN TO:

City Clerk Department
 City of Roseville
 311 Vernon Street
 Roseville, CA 95678
 Telephone: (916) 774-5263

CREDIT CARD
 TUESDAY, SEP 29, 2015 11:41:45
 MIC \$3.00 | AUT \$21.00 | SBS \$20.00
 ERD \$1.00 | RED \$1.00 | REC \$29.00
 ADD \$0.00

Ttl Pd \$75.00 Rcpt # 02464927
 CLK7NMLFJ1/GV/1-21

SPACE ABOVE THIS LINE FOR RECORDER'S USE

NOTICE OF SPECIAL TAX LIEN

CITY OF ROSEVILLE
 HP CAMPUS OAKS COMMUNITY FACILITIES DISTRICT NO. 1 (PUBLIC FACILITIES)
 COUNTY OF PLACER, STATE OF CALIFORNIA

Pursuant to the requirements of Section 3114.5 of the Streets and Highways Code and Section 53328.3 of the Government Code, the undersigned, City Clerk of the City of Roseville, hereby gives notice that a lien to secure payment of a special tax which the City Council of the City of Roseville, County of Placer, State of California is authorized to levy is hereby imposed. The special tax secured by this lien is authorized to be levied for the purpose of: paying for the facilities or services described in **Exhibit A** attached hereto including paying principal and interest on bonds, the proceeds of which are being used to finance those facilities, to pay the cost of administering the CFD (defined below) and the incidental expenses related thereto.

The special tax is authorized to be levied within HP Campus Oaks Community Facilities District No. 1 (Public Facilities) (the "CFD") which has now been officially formed and the lien of the special tax is a continuing lien which shall secure each annual levy of the special tax and which shall continue in force and effect until the special tax obligation is prepaid, permanently satisfied, and canceled in accordance with law, or until the special tax ceases to be levied and a notice of cessation of special tax is recorded in accordance with Section 53330.5 of the Government Code.

The rate, method of apportionment, and manner of collection of the authorized special tax is shown on **Exhibit B** attached hereto and hereby incorporated herein by this reference. Conditions under which the obligation to pay the special tax may be prepaid and permanently satisfied and the lien of the special tax canceled are as set forth in Exhibit B.

Notice is further given that upon the recording of this notice in the office of the county recorder, the obligation to pay the special tax levy shall become a lien upon all nonexempt real property within the CFD in accordance with Section 3115.5 of the Streets and Highways Code.

The names of the owners and the assessor's parcel numbers of the real property included within this community facilities district and not exempt from the special tax are set forth on **Exhibit C** hereto.

Reference is made to the Boundary Map of the CFD recorded in the Placer County Recorder's Office on September 3, 2015 in Book 3 at Page 72, as Document No. 2015-0077844,

of the Book of Maps of Assessment and Community Facilities Districts, which map is now the final boundary map of the CFD.

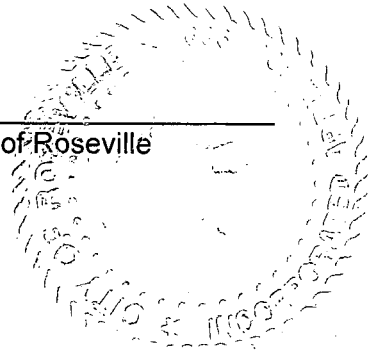
For further information concerning the current and estimated future tax liability of owners or purchasers of real property subject to this special tax lien, interested persons should contact the Finance Director, City of Roseville, 311 Vernon Street, Roseville, CA 95678.

Dated: Sept. 22, 2015



Renia Proye

City Clerk of the City of Roseville



- EXHIBIT A - Description of Authorized Facilities
- EXHIBIT B - Rate and Method of Apportionment
- EXHIBIT C - Property Owners and Parcel Numbers

EXHIBIT A

Description of Authorized Facilities

CITY OF ROSEVILLE HP CAMPUS OAKS COMMUNITY FACILITIES DISTRICT NO. 1 (PUBLIC FACILITIES)

Transportation Improvements

- Woodcreek Oaks Boulevard
- Blue Oaks Boulevard
- HP Way
- Painted Desert Drive
- Crimson Ridge Drive
- New Meadow Drive
- Other public roadway improvements designed to meet the needs of the project

Eligible roadway improvements include, but are not limited to, these: acquisition of land and easements; roadway design; project management; bridge crossings and culverts; clearing, grubbing, and demolition; grading, soil import/export, paving (including slurry seal), and decorative/enhanced pavement concrete or pavers; joint trenches, underground utilities, and undergrounding of existing utilities; dry utilities and appurtenances; curbs, gutters, sidewalks, bike trails (including onsite and off-site), enhanced fencing, and access ramps; street lights, signalization, and traffic signal control systems; bus turnouts and shelters; signs and striping; erosion control; median and parkway landscaping and irrigation; entry monumentation; Bus Rapid Transit improvements, including transfer stations and park-and-ride facilities; regional public transit improvements; masonry walls; traffic control and agency fees; and other improvements related thereto. Eligible improvements for the roads listed above also include any and all necessary underground potable and non-potable water, sanitary sewer, and storm drainage system improvements.

Potable and Non-Potable Water System Improvements

Authorized facilities include any and all on- and off-site backbone water and recycled (or non-potable) water facilities designed to meet the needs of development of the project. These facilities include, but are not limited to, potable and non-potable mains, valves, services, and appurtenances; wells; and water treatment and storage facilities.

Facility improvements include, but are not limited to, these: site clearing, grading, and paving; curbs and gutters; recycled water storage tanks, booster pump stations, and all appurtenances thereto; wells; water treatment; stand-by generator; site lighting, drainage, sanitary sewer, and water service; landscaping and irrigation; access gates and fencing; and striping and signage:

- Water lines in all authorized facility roads.
- Recycled water lines in all authorized facility roads.
- Recycled water lines in all City parks.
- Well construction on Lot 24 (CO-76)
- Off-site recycled water pump station improvements.

Drainage System Improvements

Authorized facilities include any and all on-site and off-site backbone drainage and storm drainage improvements designed to meet the needs of development of the Project. These facilities include, but are not limited to, mains, pipelines and appurtenances; outfalls and water quality measures, temporary drainage facilities, detention/retention basins, and drainage pretreatment facilities; drainage ways/channels, pump stations, landscaping, and irrigation; access roads, gates, and fencing; and striping and signage:

- All storm drain lines and facilities in authorized facility roadways.
- Detention and drainage facilities.
- Outfall channel improvements on Lots 1, 2, 4, and 5 (CO-31, CO-41, CO-42, and CO-51).

Wastewater System Improvements

Authorized facilities include any and all backbone wastewater facilities designed to meet the needs of development of the Project. These facilities include, but are not limited to, pipelines and all appurtenances thereto, manholes, tie-in to existing main line, force mains, lift stations, odor-control facilities, sewer treatment plant improvements and permitting related thereto, and related sewer system improvements:

- All wastewater facilities in authorized facility roadways.

Park and Paseo Improvements

Authorized facilities include any and all improvements to parks and paseos located in the Project:

- Construction of Park Sites HP-2, CO-64, CO-61, and CO-62. • Construction of Paseo Sites CO-63 and CO-65.

Open Space Improvements

Authorized facilities include any and all open space improvements designed to meet the needs of development of the Project, including, but not limited to, bike trails, bike/pedestrian bridges, storm drain crossings, storm drain detention/retention, wetland mitigation, tree mitigation, off-site hawk mitigation, agricultural mitigation or wetland mitigation, property acquisition, endowment payments for open space management, landscaping and irrigation, access gates and fencing, and related open space improvements:

- Improvements related to CO-81 and CO-82 other than those included in the Storm Drain section above. Wetland creation mitigation, fencing, etc.

Utilities

Authorized facilities include any and all utility improvements designed to meet the needs of development of the Project. All utility improvements, easement payments, and land acquisition not located under or alongside transportation improvements are considered authorized facilities.

Other Public Facilities

Authorized facilities include any and all public facilities or infrastructure, including the Project's pro rata contribution to the land acquisition of the off-site fire station site; site clearing; grading; and street frontage improvements, including curbs, gutters, and paving:

- Fire Station site acquisition and improvement obligations on Lot 6 (CO-75).

Formation, Administrative, and Incidental Expenses

In addition to the above facilities, other incidental expenses as authorized by the Mello-Roos Community Facilities Act of 1982, include, but are not limited to, these: the cost of planning, permitting, approving, and designing the facilities (including the cost of environmental evaluation, orthophotography, environmental remediation/mitigation, and preparation of an overarching Operation and Maintenance [O&M] Plan for the City of Roseville Open Space Preserves); land acquisition and easement payments for authorized CFD facilities; project management, construction staking; engineering studies and preparation of an engineer's report for the use of recycled water; utility relocation and demolition costs incidental to the construction of the public facilities; cost associated with the creation of the CFD, issuance of bonds, determination of the amount of taxes, collection of taxes, payment of taxes or costs otherwise incurred to carry out the authorized purposes of the CFD; reimbursements to other areas for infrastructure facilities or planning purposes serving development in the CFD; and any other expenses incidental to the construction, completion, and inspection of the facilities and related expenses associated with any of the foregoing.

EXHIBIT B

City of Roseville
HP Campus Oaks Community Facilities District No. 1
(Public Facilities)
Placer County, 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 HP Campus Oaks Community Facilities District No. 1 (Public Facilities) (CFD) of the City of Roseville (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, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable final map or other Development Plan.

"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 Tax collection schedules (whether by the City or any designee thereof or both).
- b. Costs of collecting 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 Tax 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 already 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 a City official in the Finance Department, or his or her designee.

Affordable Housing Director means, at any point in time, the person in the City who serves as head of the department that is in charge of the City's affordable housing program.

Affordable Unit means a Unit built on a Residential Use Parcel for which an Affordable Unit agreement has been entered into for the property designating the Unit as affordable. A Multifamily Residential Use Parcel may have only a portion of the Units assigned as Affordable Units. The City Manager, or his or her designee, shall determine which Units are designated as Affordable Units and maintain an Affordable Unit listing, which shall contain all designated buildable parcels by tract and lot number, and in the case of Large Lots Parcels remaining before May 1 of the preceding Fiscal Year, the number of designated Affordable Units for each such Large Lot Parcel; all entries shall indicate the effective date of designation. The Affordable Unit listing also shall be updated to reflect those Units no longer qualifying as Affordable Units, also known as Market-Rate Units. The Affordable Unit listing, which shall contain all qualifying Affordable Units as of April 30; shall be made available to the Administrator by July 1 of each year for purposes of determining the Maximum Annual Special Tax for Parcels pursuant to **Section 4**.

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

- a. Debt Service to be paid from Special Taxes.
- 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. The amount needed to (1) cure any delinquencies in the payment of principal or interest on Bonds, which have occurred in the prior Fiscal Year and (2) to fund any foreseeable deficiency of the amount to be available for the payment of principal or interest on Bonds, which are expected to occur in such Fiscal Year.

- e. Authorized Facilities funded on a Pay-As-You-Go Basis, which shall be paid on a first in-first out basis.
- f. Less any available earnings on the reserve fund, Special Tax funds, or any other available revenues of the CFD or the City that may be used to fund Annual Costs.

“Anticipated Construction Proceeds” means, for purposes of a Full Prepayment, the amount anticipated to be available through the CFD for acquiring or constructing Authorized Facilities, which is equal to \$23.0 million at formation of the CFD. This amount is increased on July 1 of the current Fiscal Year for the prior calendar year by the average increase in the ENR-CCI.

“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.

“Authorized Facilities” means those facilities to be financed, as identified in the resolution forming the CFD.

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

“Benefit Share” means the Maximum Annual Special Tax for a Parcel divided by the Maximum Annual CFD Special Tax Revenue.

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

“Bond(s)” means any bond(s) issued by the City for the CFD under the Act and any other debt, as defined in the Act, the City incurs to further the CFD’s purposes.

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

“Building Permit” means a permit issued by the City for the construction of a Residential Use or Nonresidential Use structure.

“CFD” means the HP Campus Oaks Community Facilities District No. 1 (Public Facilities) of the City of Roseville, Placer County, California.

“City” means the City of Roseville in Placer County, California.

“Council” means the City Council of the City acting for the CFD under the Act.

“County” means the County of Placer, 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 the scheduled sinking fund payments of the Bonds in the calendar year that begins in that Fiscal Year.

“Developed Parcel” means, in any Fiscal Year:

- a. For Single-Family Parcels: All Parcels for which a Final Small Lot Subdivision Map was recorded before May 1 of the preceding Fiscal Year.
- b. For Multifamily Parcels: All Parcels for which a Building Permit for new construction of a Residential Use structure was issued before May 1 of the preceding Fiscal Year.
- c. For all Nonresidential Parcels: All Parcels for which a Building Permit for new construction of a Nonresidential Use structure was issued before May 1 of the preceding Fiscal Year.

“Development Plan” means a condominium plan, apartment plan, site plan, or other plan that identifies such information as the type of structure, Acreage, square footage, or number of Units that are approved to be developed on a Single-Family Parcel, Multifamily Parcel, and Nonresidential Parcel.

“ENR-CCI” means the Engineering News Record—Construction Cost Index for San Francisco in the prior calendar year, as determined on July 1 of the current Fiscal Year.

“Final Use Small Lot Parcel” means a Parcel designated for development as a single-family residence, which is part of a Final Small Lot Subdivision Map.

“Final Small Lot Subdivision Map” means a recorded map designating the final Parcel subdivision for individual single-family residential Parcels.

“Finance Director” means the Finance Director for the City, or his or her designee.

“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**.

“Large Lot Parcel” means a Parcel created by a Large Lot Subdivision Map.

“Large Lot Subdivision Map” means a recorded subdivision map creating Parcels by land use. However, the Large Lot Subdivision Map does not delineate Single-Family Parcels. A Final Small Lot Subdivision Map will create individual Single-Family Parcels.

“Market-Rate Unit” means a Unit that is not an Affordable Unit.

“Maximum Annual Special Tax” means the greatest amount of Special Tax that can be levied against a Parcel in a given Fiscal Year, as shown in **Attachments 1 and 2**.

“Maximum Annual Special Tax Rate” means the rate of Maximum Annual Special Tax charged per Unit or per Acre, as shown in **Attachment 2**.

“Maximum Annual Special Tax Revenue” means the greatest amount of revenue that can be collected in total from a group of Parcels (such as Developed Parcels) by levying the Maximum Annual Special Tax.

“Maximum Annual 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.

"Multifamily" or **"Multifamily Residential Use"** means any Parcel or Development Plan designated or developed for more than one residential dwelling Unit per Parcel. Such uses may consist of apartments, condominiums, townhomes, time-share units, row houses, duplexes, or triplexes.

"Nonresidential Use" means a Taxable Parcel with land uses other than Residential Uses.

"Original Parcel" means a Taxable Parcel identified in **Attachment 1** at formation of the CFD.

"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 January 1 of each Fiscal Year.

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

"Pay-As-You-Go Basis" means the use of annual and one-time Special Tax revenues to directly fund the acquisition, construction, and improvement 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**.

"Proportionately" means that the ratio of the actual Special Tax levy to the Maximum Annual Special Tax is equal for all Developed Parcels. For Small Lot Tentative Map Parcels, Proportionately means that the ratio of the actual Special Tax levy to the Maximum Annual Special Tax is equal for all Small Lot Tentative Map Parcels. For Undeveloped Parcels, Proportionately means that the ratio of the actual Special Tax levy to the Maximum Annual Special Tax is equal for all Undeveloped Parcels.

"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 a result of the recording of a Large Lot Parcel Map or Final Small Lot Subdivision Map, which results in a Parcel within the boundaries of a Large Lot Parcel (defined in **Map 2**) that has not been mapped for final development approval. Such a Remainder Parcel may contain taxable and tax-exempt uses, such as Residential Uses, and Public Parcels, such as school or park sites. Once designated as a Remainder Parcel, such Parcel will be considered a Large Lot Parcel for the purposes of future Subdivisions and for the provisions of **Sections 4** through **6**.

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

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

Residential Use means a Parcel designated for residential use, such as single-family residential Units, residential condominiums, townhouses, or apartments.

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

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 Unit that is a single-family residential, residential condominium, or townhouse Unit.

Small Lot Tentative Map means a map that is made for the purpose of showing the design of a proposed Subdivision, including the individual buildable lots expected in the Subdivision, as well as the conditions pertaining thereto. A Small Lot Tentative Map is not based on a detailed survey of the property in the map and is not recorded at the County Recorder's Office to create legal lots.

Small Lot Tentative Map Parcel means, in any Fiscal Year, all Parcels included in a Small Lot Tentative Map that was approved before May 1 of the prior Fiscal Year and which have not yet become a Developed Parcel.

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 categories of taxable land uses shown in **Attachment 2**.

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 2 percent in all Fiscal Years following the Base Year, by which the Maximum Annual Special Tax for the previous Fiscal Year will be increased.

Taxable Acreage means that area of a Parcel determined by the Administrator to become a Taxable Parcel or Parcels upon further Subdivision. An example might be that a Large Lot Parcel Map creates a Remainder Parcel that, according to **Map 2**, contains both taxable and tax-exempt uses, such as a school or park site.

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, and (c) Assessor's Parcel Number 017-230-077 or any Successor Parcel thereto as long as the Tax Category remains Light Industrial (Tech./Business Park). If a Taxable Parcel is acquired by a public agency, the Parcel shall remain a Taxable Parcel based on the provisions of **Section 4.g**.

Certain privately owned Parcels also may be exempt from the levy of Annual Special Taxes, including common areas owned by homeowners' associations or property owner associations, wetlands, detention basins, water quality ponds, and open space, as determined by the Administrator.

Trustee means a national banking association organized and existing under the laws of the United States.

"Undeveloped Parcel" means a Taxable Parcel that is not a Developed Parcel, Small Lot Tentative Map Parcel, or a Large Lot Parcel.

"Unit" means, for a Single-Family Parcel or a Multifamily Parcel, an individual residential Unit in an apartment building.

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 2060-61.

When all Authorized Facilities and other Annual Costs incurred by the CFD have been paid, the Special Taxes under each of the Special Tax programs shall cease to be levied. 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 Maximum Annual Special Tax by the Tax Escalation Factor in each Fiscal Year following the Base Year.
- b. Assignment of the Maximum Annual Special Tax to Original Parcels. The Maximum Annual Special Tax is assigned to Original Parcels on a basis of Maximum Annual Special Tax per Acre. The Base Year Maximum Annual Special Tax per Acre for Original Parcels is shown in **Attachment 1. Map 1** is the CFD boundary map. To determine the Maximum Annual Special Tax for an Original Parcel, identify the Acreage of such a Parcel, and then multiply the Acreage by the Maximum Annual Special Tax per Acre (as increased by the Tax Escalation Factor) to determine the Maximum Annual Special Tax for the Original Parcel.
- c. Assignment of the Maximum Annual Special Tax to Successor Parcels. As Original Parcels and Successor Parcels are Subdivided, use the following steps to assign the Maximum Annual Special Tax to new Successor Parcels:
 1. If Original or Successor Parcels are Subdivided into Large Lot Parcels:
 - A. The proposed Large Lot Parcels for the CFD are shown in **Map 2**. The corresponding Maximum Annual Special Taxes for each proposed Large Lot Parcel and Tax Category are shown in **Attachment 2**. If a Large Lot Parcel Map is recorded that reflects the boundaries of all Large Lot Parcels shown in **Map 2**, assign the Maximum Annual Special Tax shown in **Attachment 2** to each Large Lot Parcel created by the Large Lot Subdivision Map.

- B. If the Large Lot Parcels created by the Large Lot Parcel Map have boundaries that differ from the boundaries shown in **Map 2**, use the following procedures to assign the Maximum Annual Special Tax to Large Lot Parcels created by the Large Lot Subdivision Map:
1. All Large Lot Parcels are created but differ in shape and size from **Map 2**. **Map 2** and **Attachment 2** shall be updated and the correct boundaries of each Large Lot Parcel shall be reflected in **Map 2** and **Attachment 2**. If, at the same time changes are being made to **Attachment 2**, it is determined that the number of Final Small Lot Subdivision Map, Acreage or Units of Multifamily Parcels, or Acreage of Nonresidential Parcels in a Large Lot Parcel has changed, the Maximum Annual Special Tax for each Large Lot Parcel in **Attachment 2** may, in the City's sole discretion, also be changed, as long as the Maximum CFD Special Tax Revenues are not reduced. If the City determines that such an adjustment is needed, the adjustment shall be effective immediately after recordation of the Large Lot Subdivision Map, after which time the Maximum Annual Special Tax for each Large Lot Parcel shall be fixed for all future Fiscal Years, except as otherwise provided in **Sections 4** and **5** below. After **Attachment 1** and **Attachment 2**, as needed, have been updated, the Administrator shall record, or cause to be recorded, an amended Notice of Special Tax Lien that includes the revised attachments. If such an adjustment and recording takes place, the property owner that requested the adjustment shall bear the costs to effect the adjustment and prepare the required amendments to the Notice of Special Tax Lien and **Attachments 1** and **2**. Before approval of the adjustment, the City may require a deposit from the requesting property owner for the estimated cost to perform such adjustment.
 2. Some Large Lot Parcels are created by a Large Lot Subdivision Map with a Remainder Parcel or Parcels. If the recorded Large Lot Parcels reflect the boundaries of the corresponding Large Lot Parcels shown in **Map 2**, assign the Maximum Annual Special Tax shown in **Attachment 2** to each Large Lot Parcel created by the Large Lot Subdivision Map:
 - a. If just one Remainder Parcel is created by the recording of the Large Lot Parcel Map, assign the Maximum Annual Special Tax to all Large Lot Parcels created using the procedures in **Section 4.c.1.A.** or **Section 4.c.1.B.** above. Identify the Acreage of the Remainder Parcel and multiply the Acreage times the Maximum Annual Special Tax shown in **Attachment 1** to determine the Maximum Annual Special Tax for the Remainder Parcel.
 - b. If more than one Remainder Parcel is created by recordation of the Large Lot Parcel Map, assign the Maximum Annual Special Tax to all Large Lot Parcels created using the procedures in **Section 4.c.1.A.** or **Section 4.c.1.B.** above.

Identify the Acreage of each Remainder Parcel, and multiply the Acreage by the Maximum Annual Special Tax shown in **Attachment 1**.

Once designated as a Remainder Parcel, such Parcel will be considered a Large Lot Parcel for the purposes of future Subdivisions and for the provisions of **Sections 4** through **6**.

2. If Original or Successor Parcel is Subdivided into Single-Family Parcels. There shall be no net loss of Maximum CFD Special Tax Revenue as a result of the assignment of the Maximum Annual Special Tax to Single-Family Parcels. Use the following procedures to assign the Maximum Annual Special Tax to Single-Family Parcels:

- A. If the number of Single-Family Parcels is equal or greater than the number of Units shown for the Large Lot Parcel in **Attachment 2**, assign the Maximum Annual Special Tax per Unit by Tax Category to each Single-Family Parcel created by the Subdivision.

If fewer Single-Family Parcels are created by the Subdivision than Units shown for the Large Lot Parcel in **Attachment 2**, divide the total amount of Maximum Annual Special Tax assigned to the Large Lot Parcel by the total number of actual Single-Family Parcels created by the Final Small Lot Subdivision Map. This amount is the Maximum Annual Special Tax per Unit.

If the Large Lot Parcel has been assigned Affordable Units in **Attachment 2**, divide the number of Single-Family Parcels that are not Affordable Units into the Maximum Annual Special Tax assigned to the Units that are not Affordable Units. At formation of the CFD, only Large Lots Parcels CO-5, CO-21, CO-22, and CO-23 are assigned such Affordable Units.

- B. If **Attachment 2** shows that the Large Lot Parcel is assigned Affordable Units, assign the Maximum Annual Special Tax Rate shown for the Large Lot Parcel in **Attachment 2** to the Taxable Parcels designated as Affordable Units.

3. If Original or Successor Parcel Is Subdivided into Single-Family Parcels and One or More Remainder Parcels. When an Original or Successor Parcel is Subdivided into Single-Family and one or more Large Lot Parcels (or Remainder Parcels), the Maximum Annual Special Tax is assigned to the Single-Family Parcels and Large Lot Parcels created by the Subdivision in the following manner:

- A. If the Large Lot Parcel, which is Subdivided into Single-Family Parcels, produces the same number of Units or a greater number of Units than anticipated in **Attachment 2**, assign the Maximum Annual Special Tax Rate per Unit (as increased by the Tax Escalation Factor) in **Attachment 2** for the Large Lot Parcel. If the Large Lot Parcel is assigned Affordable Units, follow the procedures of **Section 4.c.3.B.** below.

If fewer Units are created by Subdividing the Large Lot Parcel, determine the number of Affordable Units assigned to the Large Lot Parcel. Subtract the Affordable Units from the number of Units created. Determine the Maximum Annual Special Tax for the Market-Rate Units by multiplying the number of Market-Rate Units for the Large Lot Parcel by the Maximum Annual Special Tax per Unit assigned to the Large Lot Parcel. Divide this amount by the number of Market-Rate Units for the Large Lot Parcel to determine the Maximum Annual Special Tax for the Single-Family Parcels that are Market-Rate Units.

If the Large Lot Parcel is assigned Affordable Units, follow the procedures of **Section 4.c.3.B.** below.

- B. If **Attachment 2** shows that the Large Lot Parcel is assigned Affordable Units, assign the Maximum Annual Special Tax Rate shown for the Large Lot Parcel in **Attachment 2** to the Taxable Parcels designated as Affordable Units.
- C. For the Remainder Parcel or Parcels, identify the Maximum Annual Special Tax for the Large Lot Parcel that has been Subdivided. Sum the Maximum Annual Special Tax for all Single-Family Parcels created by the Subdivision. Subtract the sum of the Maximum Annual Special Tax for all Single-Family Parcels from the Maximum Annual Special Tax for the Large Lot Parcel to determine the Maximum Annual Special Tax for the Remainder Parcel.

If more than one Remainder Parcel is created by the recording of the Large Lot Parcel Map, allocate the Maximum Annual Special Tax for all Remainder Parcels on a pro rata basis to all Remainder Parcels, based on the percentage share of Taxable Acreage identified for each Remainder Parcel.

Once designated as a Remainder Parcel, such Parcel will be considered a Large Lot Parcel for the purposes of future Subdivisions and for the provisions of **Sections 4** through **6**.

- d. Affordable Units that Become Market-Rate Units. If, in any Fiscal Year, the City Manager, or his or her designee, determines that a Unit that previously had been designated as an Affordable Unit no longer qualifies as such, the Affordable Housing Director shall update the Affordable Unit listing by denoting the change in status of the Unit, together with the effective date thereof. The Maximum Annual Special Tax on the Unit that no longer qualifies as an Affordable Unit shall be increased to double the amount that would have applied in that Fiscal Year if the Unit had remained as an Affordable Unit. In subsequent Fiscal Years, this increased Maximum Annual Special Tax shall continue to escalate 2 percent per year.
- e. Transfer of the Assigned Maximum Annual Special Tax from One Large Lot to Another. The Maximum Annual Special Taxes shown in **Attachment 2** were determined based on the expected land uses for each Large Lot Parcel shown in **Map 2**. If the number of planned residential Units or nonresidential Acreage is transferred from one Large Lot Parcel to

another before recording of a Final Small Lot Subdivision Map in any portion of the Large Lot Parcel, the City may, in its sole discretion, allow for a transfer of the Maximum Annual Special Tax from one Large Lot Parcel to another. Such a transfer shall be allowed only if (1) all adjustments are agreed to in writing by the affected property owners and the Finance Director, and (2) there is no reduction in the Maximum Annual CFD Special Tax Revenues as a result of the transfer. Should a transfer result in an amendment to **Attachment 1** or **Attachment 2** of the Notice of Special Tax Lien, the requesting property owner shall bear the costs to effect the transfer in the CFD records and prepare the required amendments to the Notice of Special Tax Lien and **Attachments 1** and **2**. Before the transfer, the City may require a deposit from the requesting property owner for such costs. If such a transfer is requested and approved by the Finance Director, the Administrator shall apply the following steps to redistribute the Maximum Special Tax among the Parcels:

- Step 4.e.1. Determine the Maximum Annual Special Tax associated with the land uses that will be transferred by multiplying the number of residential Units or nonresidential Acreage by the Maximum Annual Special Tax Rate per Unit identified for the Units or Acreage in **Attachment 2** (escalated by the Tax Escalation Factor to the then-current Fiscal Year).
- Step 4.e.2. Subtract the amount determined in *Step 4.e.1.* from the Maximum Annual Special Tax for the Large Lot Parcel from which the Units or Acreage will be transferred to determine the new Maximum Annual Special Tax for the Large Lot Parcel.
- Step 4.e.3. Add the amount determined in *Step 4.e.1.* to the Maximum Annual Special Tax for the Large Lot Parcel to which the Units or Acreage is being transferred to determine the new Maximum Annual Special Tax for the Large Lot Parcel.
- f. Conversion of a Tax-Exempt Parcel to a Taxable Parcel. If a Tax-Exempt Parcel is not needed for public or Light Industrial (Tech./Business Park) use and is converted to a taxable use or transferred to a private owner, it shall become subject to the Special Tax. The Maximum Annual Special Tax for the newly assigned Tax Category for such a Parcel is determined using the provisions of **Sections 4** and **5**.
- g. Taxable Parcels Acquired by a Public Agency. 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 Government Code. 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 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 Annual CFD Special Tax Revenue and the transfer is agreed to by the owners of the Parcels involved in the transfer and the Finance Director.

5. ASSIGNMENT OF THE MAXIMUM ANNUAL SPECIAL TAX

- a. Classification of Parcels. By June 30 of each Fiscal Year, using the Definitions in **Section 2**, the Parcel records of the Assessor's secured tax roll as of January 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 Parcel to be classified as a Developed Parcel, a Small Lot Tentative Map Parcel, a Large Lot Parcel (including Remainder Parcels), or an Undeveloped Parcel.
- b. Assignment of the Maximum Annual Special Tax to Taxable Parcels. The 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 and determine the annual Special Tax levy for each Taxable Parcel based on the assignment of the Special Tax in **Sections 4** and **5**. 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. For all Taxable Parcels, calculate the Special Tax levy for each using the following steps:
 - Step 6.b.1. The Special Tax shall be levied proportionately on all Parcels of Developed Property up to the amount of Annual Cost or up to 100 percent of the Maximum Special Tax for each Developed Parcel, whichever is less.
 - Step 6.b.2. If additional revenue is needed after *Step 6.b.1.*, the Special Tax shall be levied proportionately on each Small Lot Tentative Map Parcel until the revenue from the Special Tax levy in this step, when added to the levy amount computed in *Step 6.b.1.*, equals the Annual Costs, or up to 100 percent of the Maximum Annual Special Tax for all Small Lot Tentative Map Parcels.
 - Step 6.b.3. If additional revenue is needed after *Step 6.b.2.*, the Special Tax shall be levied proportionately on each Large Lot Parcel until the revenue from the Special Tax levy in this step, when added to the levy amount computed in *Step 6.b.2.*, equals the Annual Costs, or up to 100 percent of the Maximum Annual Special Tax for all Large Lot Parcels.
 - Step 6.b.4. If additional revenue is needed after *Step 6.b.3.*, the Special Tax shall be levied on each Undeveloped Parcel until the revenue from the Special Tax levy in this step, when added to the levy amounts determined in *Step 6.b.3.*, equals the Annual Costs, or up to 100 percent of the Maximum Annual Special Tax for all Undeveloped Parcels.
- 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 County Auditor for such inclusion.

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

7. PREPAYMENT OF THE SPECIAL TAX OBLIGATION

A property owner may permanently or partially satisfy the Maximum Annual Special Tax for a Taxable Parcel by a Full or Partial Prepayment, as permitted under Government Code Section 53344. Prepayments must be made by May 1 to have the Prepayment reflected in the following Fiscal Year's Special Tax levy. Prepayment is permitted only under the following conditions:

- The City determines that Prepayment of the Special Tax does not jeopardize its ability to make timely payments of Debt Service on Outstanding Bonds.
- The landowner prepaying the Special Tax on a Parcel has paid any delinquent Special Tax and penalties on that Parcel before Prepayment.
- Amounts in the reserve fund are equal to or greater than the reserve fund requirement.
- The City determines that the Prepayment will not jeopardize its ability to make timely payments of Debt Service and maintain a 110-percent Maximum Special Tax coverage of Debt Service, plus Administrative Expenses in all years where there will be Outstanding Bonds.

When permitted, the Administrator shall calculate Full Prepayments using the following steps:

- a. The Full Prepayment amount before any issuance of CFD Bonds shall be calculated using the following procedures:
 - Step 7.a.1. Determine the Maximum Annual Special Tax for the Developed Parcel for which the Special Tax is to be prepaid using the provisions of **Sections 4 and 5**.
 - Step 7.a.2. Divide the amount from *Step 7.a.1.* by the Maximum CFD Annual Special Tax Revenue to determine the Benefit Share for the Full Prepayment Parcel.
 - Step 7.a.3. Multiply the Remaining Facilities Costs, as increased by ENR-CCI from the Base Year, by the Benefit Share to determine the Full Prepayment amount.
 - Step 7.a.4. Add to the amount determined in *Step 7.a.3.* any costs to the City, including the costs of any City consultants, associated with the preparation of the Full Prepayment calculation.
- b. The Full Prepayment amount after all issuances of CFD Bonds shall be calculated using the following procedures:
 - Step 7.b.1. Determine the Maximum Annual Special Tax for the Developed Parcel for which the Special Tax is to be prepaid using the provisions of **Sections 4 and 5**.
 - Step 7.b.2. Divide the amount from *Step 7.b.1.* by the Maximum CFD Annual Special Tax Revenue to determine the Benefit Share for the Parcel.
 - Step 7.b.3. Multiply the Benefit Share by the total amount of Outstanding Bonds to determine the Bond Share for the Full Prepayment Parcel.
 - Step 7.b.4. Multiply the Benefit Share by the Remaining Facilities Costs, as increased by ENR-CCI from the Base Year, to determine the Remaining Facilities Cost Share for the Full Prepayment Parcel.

- Step 7.b.5. Sum the Bond Share and Remaining Facilities Cost Share from *Steps 7.b.3. and 7.b.4.*
 - Step 7.b.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.
 - Step 7.b.7. Multiply the amount calculated in *Step 7.b.6.* by the call premium for the next available call date.
 - Step 7.b.8. Determine the Reserve Fund Share for the Full Prepayment Parcel by multiplying the Reserve Fund Requirement by the Benefit Share.
 - Step 7.b.9. Reduce the amount calculated in *Step 7.b.5.* by the amount of the Reserve Fund Share in *Step 7.b.8.*, provided the amount in the Reserve Fund equals the Reserve Fund Requirement after reduction.
 - Step 7.b.10. Determine the Full Prepayment amount by adding to the amount calculated in *Step 7.b.9.* any fees, call premiums, and interest to the next Bond call date not covered by Special Taxes already levied and collected for the prepaying Parcel, and expenses incurred by the CFD in connection with the Full Prepayment calculation or the application of the proceeds of the Full Prepayment to the call of Outstanding Bonds.
 - Step 7.b.11. If the amount calculated in *Step 7.b.10.* is greater than the amount calculated in *Step 7.b.6.*, reduce the amount calculated in *Step 7.b.6.* by \$5,000 and repeat *Steps 7.b.7. through 7.b.10.*
 - Step 7.b.12. If the Special Taxes already have been levied but not collected, the Parcel shall not become a Full Prepayment Parcel until the owner of the Parcel has paid the Special Taxes included on the current property tax bill in addition to the Full Prepayment amount.
- c. Partial Prepayments are allowed only for Parcels owned by a property owner before the issuance of the initial Building Permit. A Partial Prepayment can occur only once per Assessor's Parcel. The City may allow a Partial Prepayment if it is determined that the Partial Prepayment will not jeopardize its ability to make timely payments of Debt Service and maintain a 110-percent Maximum Special Tax coverage of Debt Service, plus Administrative Expenses in all years where there will be Outstanding Bonds. Partial Prepayments can occur only after the Final Bond Sale. Partial Prepayments will be calculated as described below:

The amount of any Partial Prepayment must be either 25 percent or 50 percent of the Full Prepayment amount determined in *Step 7.b.11.* A Partial Prepayment may be made in an amount equal to 25 percent or 50 percent of the Full Prepayment desired by the party making a Partial Prepayment, except that the full amount of Administrative fees and expenses determined in **Section 6.b.10.** shall be included in the Partial Prepayment. The Maximum Annual Special Tax that can be levied on a Parcel after a Partial Prepayment is made is equal to the Maximum Annual Special Tax that could have been levied before the Prepayment, reduced by the percentage of the Full Prepayment that the Partial Prepayment represents, all as determined by or at the direction of the Finance Director. For example, if the Partial Prepayment is equal to 25 percent, the Maximum Annual Special Tax applied to the Parcel would be 75 percent of the Maximum Annual Special Tax.

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 Finance Director appealing the levy of the Special Tax. The Finance Director then will promptly review the appeal and, if necessary, will meet with the applicant. If the Finance

Director 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 Finance Director may make minor, non-substantive administrative and technical changes to the provisions of this RMA that do not materially affect the rate, method of apportionment, or 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.

The City, upon request of an owner of land in the CFD that is not a Developed Parcel, also may amend this RMA in any manner acceptable to the City, without Resolution or Ordinance of the Council, upon the affirmative vote of such owner and without the vote of owners of any other land in the CFD, provided such amendment only affects such owner's land and does not reduce the total Maximum Annual Special Tax Revenue for the CFD.

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, 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.

EXHIBIT C
Property Owners and Assessor Parcel Numbers

Assessor's Parcel No.	Name and Address of Property Owner
017-230-074	BBC Roseville Oaks, LLC
017-230-075	BBC Roseville Oaks, LLC
017-230-076	BBC Roseville Oaks, LLC
017-230-077	BBC Roseville Oaks, LLC

