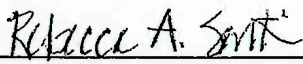


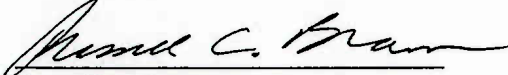
- Resolution of Formation - This Resolution references Resolutions 00-390, 00-391 and 00-392 listing the scope of the project and financing contemplated by these proceedings.
- Resolution Deeming it Necessary to Incur Bonded Indebtedness - This Resolution describes the amount and scope of the proposed bonded indebtedness of the proposed District.
- Resolution Calling Special Election - This Resolution resolves to submit to the voter a levy of a special tax, and the authorization to incur bonded indebtedness and set an appropriations limit.
- Resolution Declaring Election Results of Woodcreek East Community Facilities District No. 1 - This Resolution references the special election and declares that the ballot measure submitted to the voters within the District has been passed or approved by at least two-thirds of the voters within the District in accordance with Government Code Section 53328(a) and 53355.
- Resolution Authorizing the Issuance of Special Tax bonds for and on behalf of the City of Roseville, approving and directing the execution of a Fiscal Agent Agreement, approving the form of Preliminary Official Statement, approving sale of such bonds, and approving other related documents and actions.
- Ordinance of the City Council of the City of Roseville Levying a Special Tax within Woodcreek East Community Facilities District No. 1 - This Ordinance adopts the special tax on all taxable parcels within Woodcreek East Community Facilities District No. 1 for the 2000-01 tax year and subsequent years of the authority to levy this special tax.

Respectfully submitted:

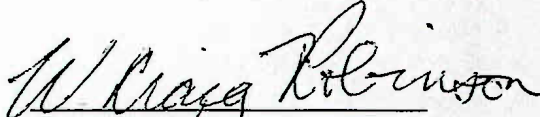


Rebecca A. Santini,
Accountant

Approved:



Russell C. Branson
Finance Director/Treasurer



Allen E. Johnson,
City Manager

CITY COUNCIL OF THE CITY OF ROSEVILLE

RESOLUTION NO. 00-489

**RESOLUTION OF FORMATION OF COMMUNITY FACILITIES DISTRICT
AND TO LEVY A SPECIAL TAX IN
WOODCREEK EAST COMMUNITY FACILITIES DISTRICT NO. 1**

The City Council of the City of Roseville (the "City") resolves:

1. Reference is made to Resolutions No. 00-390, No. 00-391 and No. 00-392 of this City Council adopted August 30, 2000 for the preliminary scope of the project and financing contemplated by these proceedings.

2. The public hearing scheduled for October 4, 2000 was rescheduled and noticed for October 11, 2000 pursuant to action of the City Council moving all of its business scheduled to be conducted at its October 4, 2000 meeting to a rescheduled meeting date of October 11, 2000. This City Council has conducted the public hearing set by Resolution No. 00-391 and No. 00-392, and determines that a majority protest under Section 53324 of the Government Code was not made at the hearing.

3. There is hereby formed a community facilities district by the City of Roseville under the terms of the Mello-Roos Community Facilities Act of 1982, Chapter 2.5 of Division 2 of Title 5 of the California Government Code, commencing with Section 53311 (the "Act").

4. The name of the community facilities district is "Woodcreek East Community Facilities District No. 1, City of Roseville, Placer County, California" (the "District").

5. The types of public facilities proposed to be provided within the District are set forth on Exhibit A attached to this Resolution. The types of incidental expenses proposed to be incurred by the District are set forth in Exhibit B attached to this Resolution. The City Council hereby finds that these facilities and incidental expenses are necessitated by new development occurring or anticipated within the District.

6. The office of the Director of Finance of the City of Roseville, 311 Vernon Street, Roseville, California 95678 (916-774-5319) is designated as the office responsible for preparing annually a current roll of special tax levy obligations by assessor's parcel number, estimating future special tax levies and for establishing procedures to promptly respond to inquiries regarding estimates of future special tax levies. The City may contract with private consultants to provide this service in lieu of the Director of Finance.

7. Except where funds are otherwise available, a special tax sufficient to pay for all such facilities and incidental expenses will be annually levied within the District. Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the California Streets and Highways Code, a continuing lien to secure each levy of the special tax shall attach to all nonexempt real property within the District, and this lien shall continue in force and effect until the special tax obligation is prepaid and permanently satisfied and the special tax lien is canceled in accordance with law or until collection of the special tax by the legislative body of the City ceases. The rate and method of apportionment of the special tax is set forth in Exhibit C attached to this Resolution.

8. The boundaries of the District are shown on proposed boundary map on file with the City Clerk, which was approved by our Resolution No. adopted August 30, 2000 and filed for record on _____, 2000 in the Office of the County Recorder of the County of Placer as Document No. _____ and in Book _____, at Page _____ of the Maps of Assessment and Community Facilities District.

9. Advances of funds or contributions of work in kind from any lawful source, specifically including owners of property within the District, may be reimbursed from bond proceeds or from special tax revenue or both to the extent of the lesser of the value or cost of the contribution, but any agreement to do so shall not constitute a debt or liability of the City.

10. Any bonds issued in these proceedings shall be callable in accordance with the provisions of the Act and as more specifically to be set forth in any resolution providing for the form, execution and issuance of bonds.

11. The special tax will be collected and enforced as a separate line item on the regular property tax bill. However, this City Council reserves the right, under Section 53340, to utilize any method of collecting the special tax which it shall, from time to time, determine to be in the best interests of the City, including, but not limited to, direct billing by the City to the property owners and supplemental billing. In particular, the City may bill the 2000-01 special taxes directly, and not post those taxes to the regular, secured property tax roll. The procedure for collection in any case when the City chooses to collect the special tax through direct billing shall be as follows:

After levy by the City Council, whether pursuant to authorizing ordinance or annual resolution, the City Director of Finance shall prepare and send to the property owners by first class U.S. Mail, at their addresses as shown on the last equalized assessment roll, a tax bill substantially in the form shown in Exhibit D, hereto, which shall specify the amount due, give instructions for payment to the City Director of Finance, state (as is hereby authorized and provided) that the first installment of the special tax (50% of the annual special tax shall be payable in each installment) shall be delinquent if not received by the City Director of Finance by the close of business on the next succeeding December 10, and the second installment shall be delinquent if not paid by the City Director of Finance by the close of business on the next succeeding April 10, shall specify (as is hereby authorized and provided) that all delinquencies shall incur an immediate 10% penalty, and an additional 1½% penalty on the first day of each month beginning with the next succeeding July 1, and shall specify (as is hereby authorized and provided) that delinquencies are subject to judicial foreclosure under the procedure set forth in §53356.1 and following of the Government Code.

The City Council, as an alternative enforcement mechanism, may by resolution elect to place delinquent special taxes on the next secured property tax roll. In such event, attorneys' fees and costs to date in any foreclosure action, and penalties on the delinquency through the following December 1, may be included in the amount to be placed on the roll. Both remedies may be pursued simultaneously, but if the property owner pays the regular property tax bill for the subsequent year, including the delinquent special tax posted to that bill, the foreclosure action may thereafter be pursued solely for attorneys' fees and costs incurred subsequent to the posting of the delinquent special tax on the secured roll.

12. This City Council hereby establishes the annual appropriations limit of the District at \$6,000,000.

13. Based upon the Certificate of Engineer heretofore filed with this City Council, the qualified electors for the election to be held in these proceedings shall be the landowners owning land within the District. The City Council will conduct the election by mailed ballot and hereby designates the City Clerk as the official to conduct the mailed-ballot election.

14. This City Council now finds and determines that all proceedings up to and including the adoption of this Resolution were and are valid and in conformity with the requirements of the Act. This determination and finding is final and conclusive in accordance with Government Code Section 53325.1.

* * * * *

PASSED AND ADOPTED by the City Council of the City of Roseville this 11th day of October, 2000, by the following vote on roll call:

AYES: Councilmembers:

NOES: Councilmembers:

ABSTAIN: Councilmembers:

ABSENT: Councilmembers:

Mayor

ATTEST:

City Clerk

- EXHIBIT A - CFD Improvements
- EXHIBIT B - Incidental Expenses and Bond Issuance Costs
- EXHIBIT C - Rate and Method of Apportionment
- EXHIBIT D - Form of Special Tax Bill

EXHIBIT A

Woodcreek East
Community Facilities District No. 1
City of Roseville, California

LIST OF AUTHORIZED FACILITIES

Authorized facilities that may be funded through the CFD include the following public improvements:

Transportation Improvements

Authorized facilities include the following transportation-related improvements:

- Woodcreek Oaks Boulevard construction; and
- Other public roadway and roadway corridor improvements designed to meet the needs of the project.

Eligible roadway and roadway corridor improvements include: purchase of right of way; roadway design; project management; bridge crossings; clearing and grubbing; grading and paving; joint trenches and underground utilities (including electrical improvements and reimbursements to City for costs of underground electrical improvements installed by City); curbs, gutters and sidewalks; street lights (including reimbursements to the City) and signalization; bus turnouts; signs and striping; erosion control; median and parkway landscaping; entry monumentation; and other improvements related thereto.

Water System Improvements

Authorized facilities including any and all water facilities which benefit any area outside of the property within Woodcreek East CFD No. 1, or any off-site water improvements as necessary to serve the property. These facilities include water distribution facilities including waterlines and appurtenances, gate valves, pressure reducing stations, flow meters, fire hydrants and related water system improvements.

Recycled Water System Improvements

Authorized facilities including any and all recycled water system facilities designed to meet the needs of development within Woodcreek East CFD No. 1. These facilities include recycled water distribution facilities including pipelines and appurtenances, gate valves, flow meters, booster pump pressuration system and related recycled water system improvements.

Drainage System Improvements

Authorized facilities including any and all drainage and storm drain improvements designed to benefit any area outside of the property within Woodcreek East CFD No. 1, or any off-site drainage and storm drain improvements as necessary to serve the property. These facilities include but are not limited to, pipelines and appurtenances, temporary drainage facilities, detention/retention basins

and drainage pretreatment facilities, or any off-site improvements as necessary to serve the Property.

Wastewater System Improvements

Authorized facilities including any and all wastewater facilities which benefit any area outside of the property within Woodcreek East CFD No. 1 or any off-site wastewater system improvements as necessary to serve the property. These facilities include, but are not limited to pipeline and appurtenances; manholes; tie-in to existing main line; and related sewer system improvements.

Park Improvements

Authorized facilities include any and all improvements to parks located within Woodcreek East CFD No. 1.

Open Space Improvements

Authorized facilities include any and all improvements to open space located within Woodcreek East CFD No. 1, including, but not limited to, bike trails, bike/pedestrian bridges, storm drain crossings, wetland mitigation and related open space improvements.

Sound Attenuation Improvements

Authorized facilities include any and all sound attenuation improvements designed to meet the needs of development within the CFD including, but not limited to, berm construction and landscaping, soundwalls, sound attenuation enclosures and related sound attenuation improvements.

City-wide Improvements

Authorized facilities include the cost of contributions to City-wide improvements serving the needs of development within the Woodcreek East CFD No. 1 as provided in the Woodcreek East Development Agreement.

Other Expenses

In addition to the above facilities, other incidental expenses as authorized by the Mello-Roos Community Facilities Act of 1982, including, but not limited to, the cost of planning and designing the facilities (including the cost of environmental evaluation and environmental remediation); engineering and surveying; construction staking; utility relocation and demolition costs incidental to the construction of the public facilities; costs of project/construction management; costs associated with the creation of the Mello-Roos CFD; issuance of bonds; determination of the amount of taxes, collection of taxes; payment of taxes; or costs otherwise incurred in order to carry out the authorized purposes of the CFD; reimbursements to other areas for infrastructure facilities serving the Woodcreek East Project; and any other expenses incidental to the construction, completion and inspection of the facilities.

Note: All CFD Improvements listed on Exhibit L to the Development Agreement will be funded prior to any other facilities, in the event funding is limited.

EXHIBIT B

Incidental Expenses and Bond Issuance Costs

WOODCREEK EAST COMMUNITY FACILITIES DISTRICT NO. 1 CITY OF ROSEVILLE, PLACER COUNTY, CALIFORNIA

It is anticipated that the following incidental expenses may be incurred in the proposed financing:

- Engineering services
- Special tax consultant services
- City review and administration
- Bond counsel services
- Bond counsel out of pocket expenses
- Independent financial advisor services
- Appraiser services
- Initial bond transfer agent, fiscal agent, registrar and paying agent fees
- Rebate calculation service set up charge
- Bond printing
- Offering memorandum printing and mailing costs
- Publishing, mailing and posting of notices
- Underwriter's discount
- Bond reserve fund
- Capitalized interest
- Bond syndication costs
- Governmental notification and filing costs
- Credit enhancement costs
- Real estate acquisition costs
- Special disclosure counsel
- Rating agency fees

Certain annual costs may be included in each annual special tax levy. These include:

- Annual bond transfer agent, fiscal agent, registrar and paying agent fees
- Annual rebate calculation costs
- Special tax consultant costs
- Other necessary consultant costs
- Costs of posting and collecting the special taxes
- Personnel costs of the City
- Arbitrage rebate
- Rating agency fees

EXHIBIT C

CITY OF ROSEVILLE Woodcreek East COMMUNITY FACILITIES DISTRICT NO. 1

RATE AND METHOD OF APPORTIONMENT SPECIAL TAX

1. BASIS OF SPECIAL TAX LEVY

A Special Tax authorized under the Mello-Roos Community Facilities Act of 1982 (the "Act") applicable to the land in the Woodcreek East Community Facilities District No. 1 (the "CFD") of the City of Roseville (the "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 costs incurred by the City to determine, levy and collect the Special Taxes, including salaries of City employees and the fees of consultants and corporate bond paying and/or fiscal agents or trustees for bonds and the costs of collecting installments of the Special Taxes upon the general tax rolls; preparation of required reports, and any other costs required to administer the CFD as determined by the Finance Director of the City of Roseville.

"Annual Costs" means for each Fiscal Year for the CFD, the total of 1) Debt Service; 2) Administrative Expenses and County fees; 3) any amounts needed to replenish bond reserve funds and to pay for delinquencies in Special Taxes for the previous Fiscal Year or anticipated for the current year, and 4) any pay-as-you-go expenditures for authorized improvements.

"Annual Tax Revenues" means the amount of Special Taxes required each Fiscal Year to pay the Annual Costs.

"Anticipated Facility Costs" means \$4,314,300 as adjusted annually after the Base Year in accordance with the Engineering News Record Building Cost Index.

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

"**Bond Indenture**" means the indenture or other financing document pursuant to which the bonds are issued.

"**Bond Share**" means the Benefit Share for a Parcel multiplied by the applicable total of Outstanding Bonds.

"**Bond Year**" means the Twelve (12)-month period ending on the second bond payment date of each calendar year as defined in the Bond Indenture.

"**CFD**" means the Woodcreek East Community Facilities District No. 1 of the City of Roseville.

"**City**" means the City of Roseville, California.

"**Council**" means the City Council of the City of Roseville as the legislative body for the CFD under the Act.

"**County**" means the County of Placer, California.

"**County Assessor's Parcel**" means the parcel number as recorded by the County Assessor on the equalized tax roll.

"**Debt Service**" means the total amount of bond principal, interest, and scheduled sinking fund payments for a Bond Year commencing in such Fiscal Year.

"**Final Large-Lot Subdivision Map**" means a recorded map delineating Parcels by land use and providing the ability to transfer ownership of the delineated Parcels.

"**Final Small-Lot Subdivision Map**" means a recorded map designating the final small-lot Parcel splits for individual single-family residential Parcels. A Large-Lot Subdivision Map for single-family residentially zoned land is not considered a Final Small-Lot Subdivision Map for purposes of levying the Special Tax.

"**Finance Director**" means the Finance Director for the City of Roseville or his or her designee.

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

"**Full Prepayment**" means the Prepayment of a Parcel's entire Maximum Special Tax obligation prior to the termination of Special Taxes for the CFD as a whole.

"**Maximum Special Tax**" means the greatest amount of Special Tax that can be levied against a Taxable Parcel in any Fiscal Year. Each time a Taxable Parcel is subdivided, the Maximum Special Tax will be reassigned to the Successor Parcels. The Maximum Special Tax at the formation of the CFD is shown in **Attachment 1**.

"**Maximum CFD Revenue**" means the sum of the Maximum Special Tax for all of the Taxable Parcels in the CFD.

"**Original Parcel**" means the large-lot parcel as it existed at the time of the adoption of the Resolution of Formation by the Council, as shown on **Map 1**.

Outstanding Bonds" means bonds that have been issued by the CFD and not retired or defeased.

Parcel" means any County Assessor's Parcel in the CFD based on the equalized tax rolls of the County.

Partial Prepayment" means a Prepayment for less than the full portion of the Special Tax obligation for a Parcel.

Partial Prepayment Factor" means a factor by which Maximum Special Tax for a Partial Prepayment Parcel is multiplied to calculate an adjusted Maximum Special Tax. The Partial Prepayment Factor for a Partial Prepayment Parcel shall be calculated according to the steps described under Section 7 herein.

Partial Prepayment Parcel" means a Parcel that has had a portion of its Special Tax obligation satisfied with a Prepayment under Section 7 hereof. Such Parcels shall be liable for a Special Tax Levy based on an adjusted Maximum Special Tax. If one or more Successor Parcels are created through the Subdivision of a Partial Prepayment Parcel, each of these Successor Parcels shall also be a Partial Prepayment Parcel. The Partial Prepayment Factor that applies to the Partial Prepayment Parcel prior to Subdivision shall apply to these Successor Parcels.

Prepayment" means the full or partial payment of Maximum Special Taxes prior to the termination of Special Taxes for the CFD as a whole.

Public Parcel" means any Parcel that is (1) publicly owned, and (2) is normally exempt from the levy of general ad valorem property taxes under California law, including public streets; schools; parks; and public drainage ways, public landscaping, greenbelts, and public open space. These Public Parcels -- so identified at the formation of CFD -- are exempt from the levy of Special Taxes.

PWD" means the Public Works Director for the City of Roseville or his or her designee.

Reserve Fund" means the total amount held in the bond reserve funds by the City for all Outstanding Bonds.

Reserve Fund Share" means the amount on deposit in the Reserve Fund, but in any event not to exceed the required bond reserve as defined in the Bond Indenture, multiplied by the Benefit Share for a given Parcel.

Special Tax(es)" mean(s) any tax levy under the Act in the CFD and as set forth in the definition of Annual Costs and Section 6 herein.

Subdivision" means a group of Successor Parcels created from an Original Parcel through the Subdivision Map Act process.

Successor Parcel" means a Parcel created by Subdivision, lot line adjustment, or parcel map from an Original Parcel.

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

"Taxable Parcel" means any Parcel that is not exempt from Special Taxes as defined below.

"Tax-Exempt Parcel" means a Parcel not subject to the Special Tax. Tax-Exempt Parcels include: (1) Public Parcels identified at the formation of the CFD or created by Subdivision of an Original or Successor Parcel where all of the taxes from the previous Original or Successor Parcel(s) have been assigned to the Taxable parcels, and (2) any Parcel that has prepaid its Special Taxes under Section 7 hereof. A Taxable Parcel acquired by a public agency after formation of the CFD will not be classified as a Tax-Exempt Parcel.

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

"Woodcreek East" means the Woodcreek East development of the North Industrial Plan Area (NIPA) as shown in Map 1.

3. DETERMINATION OF PARCELS SUBJECT TO SPECIAL TAX

The Finance Director shall prepare a list of the Parcels subject to the Special Tax using the records of the County Assessor and the City's own records. The City shall identify the Taxable Parcels from a list of all Parcels within the CFD using the procedure described below.

- 1) Exclude all Tax-Exempt Parcels.
- 2) The remaining Parcels are subject to the Special Tax according to the formula detailed below.

It shall be the burden of the taxpayer to timely correct any errors in the determination of the Parcels subject to the Special Tax and their Special Tax assignments.

4. TERMINATION OF THE SPECIAL TAX

The Special Tax will be levied for as long as is needed to pay the principal and interest on debt incurred in order to construct the authorized facilities and to pay the Annual Costs. However, in no event shall the Special Tax be levied after Fiscal Year 2035-2036.

When all Annual Costs incurred by the CFD have been paid, the Special Tax shall cease to be levied. The Council shall direct the City Clerk 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 shall additionally 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.

5. ASSIGNMENT OF MAXIMUM SPECIAL TAXES

By August 1 of each Fiscal Year, using the Definitions from Section 2 and the Maximum Special Tax from Attachment 1, the Finance Director shall assign the Maximum Special Taxes to Parcels as follows:

1. Each Parcel to be classified as a Tax-Exempt Parcel or a Taxable Parcel;
2. Each Taxable Parcel to be classified as an Original Parcel, a Successor Parcel, or a Partial Prepayment Parcel.

The assignment of the Maximum Special Tax to Taxable Parcels is as follows:

- a) Partial Prepayment Parcels — the Maximum Special Tax for all Partial Prepayment Parcels is assigned by multiplying the Maximum Special Tax from Attachment 1, or as otherwise calculated for a Successor Parcel, by the Partial Prepayment Factor for that Parcel.
- b) Original Parcel - the Maximum Special Tax for each Original Parcel is as shown on Attachment 1.
- c) Successor Parcel - the Maximum Special Tax for each Successor Parcel is determined as follows:
 - (i) If the Successor Parcel is the result of a single-family residential or individually-owned residential condominium Parcel Subdivision, divide the Maximum Special Tax assigned to the Original Parcel or Successor Parcel, as calculated under (c) above or (d)(ii) below, by the number of single-family residential Parcels or residential condominium units. The result of this calculation is the Maximum Special Tax for each single-family residential or residential condominium Successor Parcel within the Subdivision.
- d) Residential Unit/Maximum Special Tax Transfer - the Maximum Special Tax assigned to a residential Parcel under (a), (b), or (c) above, may be adjusted to reflect a change in the number of original residential units (as shown in Attachment 1) resulting from a transfer of units from one Taxable Parcel to another Taxable Parcel in the following manner:
 - (i) Calculate the existing Maximum Special Tax per unit by dividing the Maximum Special Tax for the Parcel by the number of units assigned to that Parcel;
 - (ii) Calculate the total Maximum Special Tax being transferred by multiplying the number of units being transferred by the calculation in (i) above. Add the total Maximum Special Tax and number units being transferred to the Parcel(s) receiving the transferred units and Maximum Special Tax.

- (iii) Subtract the total Maximum Special Tax and the number of residential units being transferred, as identified in step (ii) above, from the Parcel transferring the Maximum Special Tax and the residential units.

Such unit and Special Tax transfer will be allowed under the following conditions:

- (i) any decrease in one Parcel's Maximum Special Tax assignment is offset by an equal increase in the Maximum Special Tax of other Parcels to ensure that there is no net loss in the total Maximum Special Taxes; and,
 - (ii) all adjustments in the Special Tax are agreed to in writing by the affected property owners and the Finance Director.
- e) If the assignment of Maximum Special Taxes to Successor Parcels under step c) above or through a transfer of Maximum Special Tax in step d) above results in unequal Maximum Special Taxes between residential Subdivisions within the subdivision of the CFD, the revised Maximum Special Taxes may be adjusted further to accommodate a uniform Special Tax between adjacent subdivisions. Such adjustments shall also be subject to the transfer conditions under step d) above.
- f) Conversion of a Tax-Exempt Parcel to a Taxable Parcel - if a parcel designated as a Public Parcel is not needed for public use and is converted to a private use, it shall become subject to the Special Tax. The Maximum Special Tax for each such Parcel shall be set equal to the average Maximum Special Tax per unit or acre for Parcels with similar land use designations, as determined by the Finance Director.
- 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 within the CFD is relocated to a Taxable Parcel, the previously Tax-Exempt Parcel of comparable acreage becomes a Taxable Parcel, and the Maximum Special Tax from the previously Taxable Parcel is transferred to the newly Taxable Parcel. This trading of Parcels will be permitted to the extent that there is no net loss in Maximum CFD Revenue.

6. SETTING THE ANNUAL SPECIAL TAX LEVY

The Special Tax levy for each Parcel will be established annually as follows:

- 1) Compute the Annual Costs using the definitions in Section 2.
- 2) Calculate the Special Tax for each Parcel as follows:

Step 1: Compute 100% of the Maximum Special Tax revenue for all Taxable Parcels.

- Step 2: Compare the Annual Costs with the Maximum Special Tax revenue calculated in the previous step.
- Step 3: If the Annual Costs are less than the Maximum Special Tax revenue, decrease proportionately the Special Tax levy for each Taxable Parcel until the Special Tax revenue equals the Annual Cost.
- 3) 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.

The City shall make every effort to correctly assign the number of taxable units and calculate the Special Tax for each parcel. It shall 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.

As development and subdivision of Woodcreek East takes place, the Finance Director will maintain a file of each current assessor's parcel number within the CFD and the authorized Maximum Special Tax on all such Parcels available for public inspection. This record shall show the Maximum Special Tax on all Original and Successor Parcels and a brief description of the process of assigning the Maximum Special Tax each time a Successor Parcel was created. The record will also indicate whether a Parcel is a Prepayment Parcel or a Partial Prepayment Parcel. Any taxpayer who feels that 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.

7. PREPAYMENT OF SPECIAL TAX OBLIGATION

With a Prepayment, a landowner may satisfy all or a portion of the Special Tax obligation on any given Parcel. Landowners may permanently satisfy all or part of the Special Tax obligation by a cash settlement with the City as permitted under Government Code Section 53344. Prepayment is permitted only under the following conditions:

- Prepayments must be made by May 1 in order to have the Prepayment reflected in the following Fiscal Year's Special Tax Levy.
- The Parcel is a whole Original Parcel greater than one acre, a Successor Parcel greater than ten acres, or a group of contiguous Successor Parcels, greater than or equal to ten gross acres, with a common owner. However, if an Original Parcel or a Successor Parcel larger than ten acres is subdivided by a final Large-Lot Subdivision Map and a Successor Parcel less than ten acres results, the smaller Successor Parcel(s) will be allowed to take advantage of the same Prepayment provisions offered to the Parcel from which it was created.
- The City determines that the Prepayment of the Special Tax obligation does not jeopardize its ability to make timely payments of debt service on Outstanding Bonds.

- Any landowner prepaying the Special Tax obligation must pay any and all delinquent Special Taxes and penalties for the prepaying Parcel.
- Prior to the calculation of the prepayment amount, the landowner must notify the City whether such landowner intends to execute a full Prepayment or Partial Prepayment. If the landowner intends to execute a Partial Prepayment, the landowner shall further notify the City of the dollar amount of the intended Prepayment. In no event shall a Partial Prepayment be for less than twenty-five percent (25%) of the full Prepayment amount.

The Full Prepayment amount shall be established by following the steps below. The Partial Prepayment is calculated by following the steps in Part B below. Transfers from the Reserve Fund for a Full or Partial Prepayment are described in Part C below.

Part A: Prepayment of Outstanding Bond Share

- Step A.1: Determine the Maximum Special Tax for the Parcel based on the assignment of the Maximum Special Tax described in Section 5 above.
- Step A.2: Determine the "Benefit Share" by dividing the Maximum Special Tax determined in Step A.1 above by the Maximum CFD Revenue for all Parcels in the CFD.
- Step A.3: Determine the Bond Share for the Parcel by multiplying the Benefit Share From Step A.2 above by the total amount of Outstanding Bonds issued by the CFD.
- Step A.4: Calculate the Reserve Fund Share associated with the Bond Share determined in Step A.3 above and reduce the Bond Share by the amount of the Reserve Fund Share. The Reserve Fund Share is equal to the reserve requirement on all Outstanding Bonds multiplied by the Benefit Share. At the City's discretion, the Reserve Fund Share may be withheld from the Prepayment calculation and refunded to the Prepaying landowner at the time that bonds are called.
- Step A.5: Determine the Outstanding Bond Share by adding to the amount calculated in Step A.4 above any fees, call premiums, amounts necessary to cover negative arbitrage from the date of the prepayment to first call date on the bonds, and expenses incurred by the City in connection with the prepayment calculation or the application of the proceeds of the prepayment.

Part B: Remaining Facility Cost Share

- Step B.1: Determine the Total Facility Cost Share for the Parcel by multiplying the Benefit Share from Part A, Step A.2 above by the Anticipated Facility Costs.
- Step B.2: Determine the share of facilities funded by bonds already issued by the CFD for the Parcel by multiplying the Benefit Share by the construction proceeds made available from all such bonds issued by the CFD. These amounts shall be

adjusted to the year of Prepayment by using the Engineering News Record Construction Cost Index.

- Step B.3: Determine the share of facilities funded with any pay-as-you-go special tax revenues by multiplying the Benefit Share by the total amount of pay-as-you-go funding used to acquire authorized facilities.
- Step B.4: Determine the remaining facility cost share for the Parcel by subtracting the results from Steps B.2 and B.3 above from the Total Facility Cost Share determined in Step B.1. (Notwithstanding the above, once the City has issued all bonds for the CFD, the remaining facility cost share shall be set to zero for purposes of this prepayment calculation.)
- Step B.5: The Bond Authorization for the CFD shall be reduced by an amount equal to the amount determined in Step B.4 above multiplied by a factor of 1.15.
- Step B.6: Combine the amount from Part A Step A.5 with the amount from Part B Step B.4 to arrive at the Full Prepayment amount.

Part C: Partial Prepayments

If the prepayment is a partial prepayment, then the property owner shall designate an amount which is less than the total prepayment amount determined above for the prepaying Parcel (or group of prepaying Parcels) that results in a bond call in a whole number multiple of \$5,000. In no event shall a Partial Prepayment be for less than twenty-five percent (25%) of the full Prepayment amount. The City shall then determine the Partial Prepayment Factor by the following procedure:

- Step C.1: Subtract the amount of the Partial Prepayment from the Full Prepayment amount calculated in Step B.6 above;
- Step C.2: Subtract any fixed costs (such as the cost of the Prepayment calculation and other fees that do not vary proportionally with the size of the prepayment) of the Prepayment from the Full Prepayment amount;
- Step C.3: Divide the result of Step 1 by the result of Step C.2 above; and,
- Step C.4: If a Partial Prepayment has previously been made for this Parcel, multiply the result of Step C. 3 above times the previously calculated Partial Prepayment Factor.

Part D: Transfers

Make the appropriate transfers from the Reserve Fund to the prepayment fund, as follows:

- Step D1: For a Full Prepayment transfer the amount of the Reserve Fund Share.

Step D.2: For a Partial Prepayment, transfer an amount equal to the Reserve Fund Share times one minus the Partial Prepayment Factor.

8. ADMINISTRATIVE CHANGES AND APPEALS

The Finance Director or designee has the authority to make necessary administrative adjustments to the Rate and Method of Apportionment in order to remedy any portions of the Special Tax formula that require clarification.

Any taxpayer who feels that 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 will then promptly review the appeal, and if necessary, meet with the applicant. If the Finance Director verifies that the tax should be modified or changed, a recommendation at that time will be made to the City Council and, as appropriate, the Special Tax levy shall be corrected and, if applicable in any case, a refund shall be granted.

Interpretations may be made by Resolution of the City 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.

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 City 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 its financial obligation.

Attachment 1
Woodcreek East CFD No. 1
Maximum Special Taxes

Original Parcel	Land Use	Residential Units	Annual Maximum Special Tax
[1] 017-114-060	LDR	[2] 350	\$584,335
017-114-061	N/A	0	\$0

[1] Represents all Taxable Parcels at the time of CFD Formation.

[2] Represents entitlement under project Development Agreement.

FILED IN THE OFFICE OF THE CLERK OF THE CITY OF ROSEVILLE, PLACER COUNTY, CALIFORNIA ON THIS ___ DAY OF ___, 2000

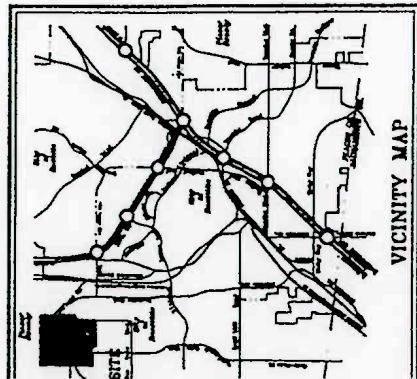
CAROLYN PARKINSON, CITY CLERK
CITY OF ROSEVILLE
PLACER COUNTY, CALIFORNIA

I HEREBY CERTIFY THAT THIS MAP WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF ROSEVILLE AT A REGULAR MEETING THEREOF, HELD ON THE ___ DAY OF ___, 2000,
BY ITS RESOLUTION NUMBER _____

CAROLYN PARKINSON, CITY CLERK
CITY OF ROSEVILLE
PLACER COUNTY, CALIFORNIA

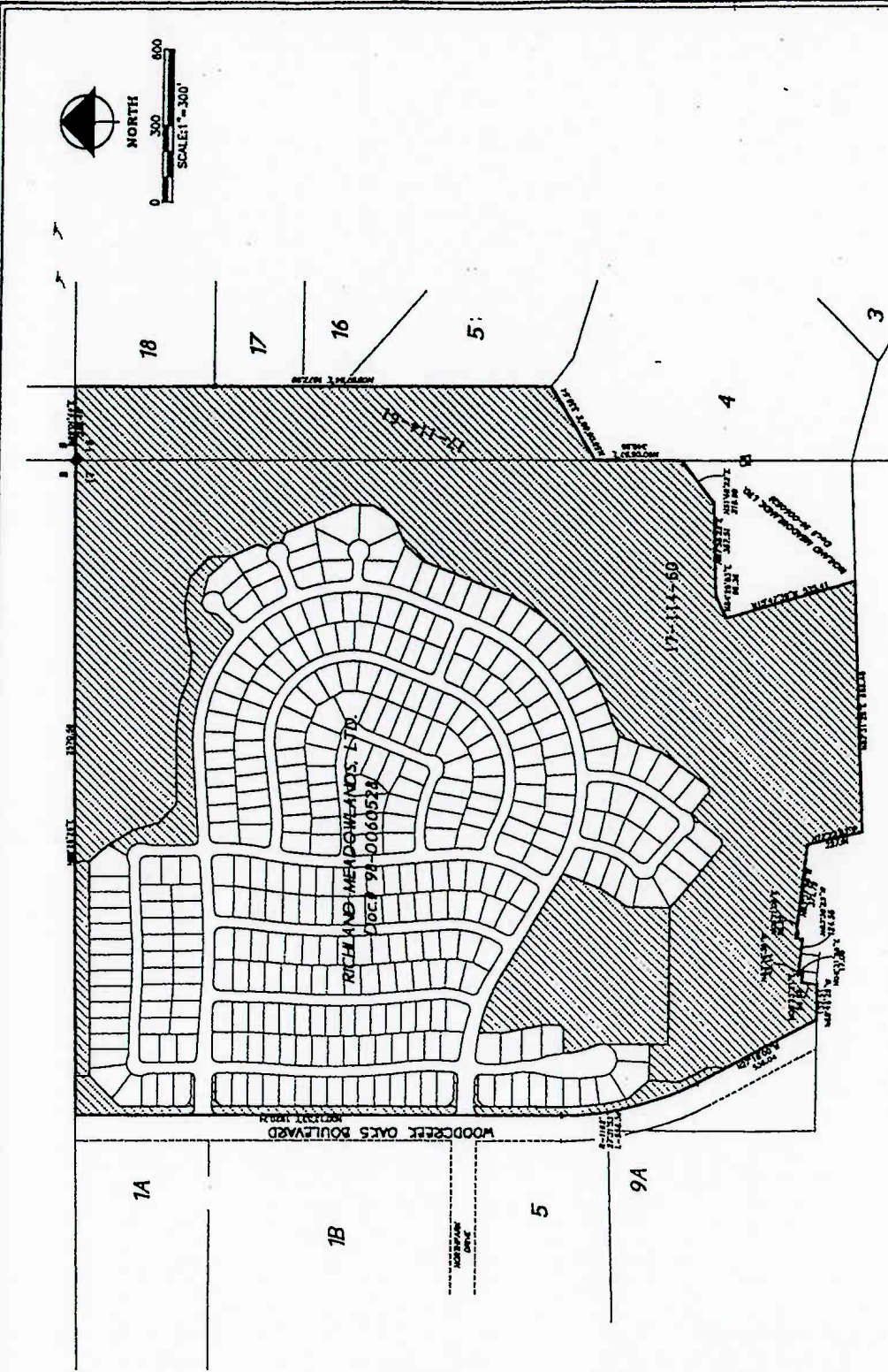
FILED THIS ___ DAY OF ___, 2000,
AT THE HOUR OF ___ O'CLOCK ___ M. IN
BOOK ___ CITY FACILITIES DISTRICT AT PAGE ___
IN THE OFFICE OF THE COUNTY RECORDER OF
THE COUNTY OF PLACER, STATE OF CALIFORNIA.

COUNTY RECORDER
COUNTY OF PLACER



LEGEND

ANTICIPATED PUBLIC PARCELS.



PROPOSED BOUNDARY
WOODCREEK EAST
COMMUNITY FACILITIES DISTRICT No. 1
CITY OF ROSEVILLE
PLACER COUNTY, CALIFORNIA
PORTIONS OF SECTIONS 16 AND 17
TOWNSHIP 11 NORTH RANGE 6 EAST, M.D.M.
AUGU 2000

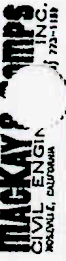


EXHIBIT D

SPECIAL TAX BILL

COMMUNITY FACILITIES DISTRICT NO. 1
CITY OF ROSEVILLE
PLACER COUNTY, CALIFORNIA

To: _____

RE: PROPERTY AT _____

APN: _____

TAX: \$ _____
First Installment: \$ _____
Second Installment: \$ _____

Reference is made to Paragraph 11 of the City of Roseville's Resolution of Formation of the above-referenced Community Facilities District, and the Notice of Special Tax Lien recorded in the Office of the County Recorder of Placer County on _____, 2000 under Recorder's Document Number _____ (copies of which are available from the Roseville City Clerk), which set forth the authority for this Special Tax.

A Special Tax has been levied on the above-referenced parcel in the amount shown above by Ordinance No. _____, adopted _____, 2000 of the City of Roseville (the "City").

THIS TAX IS NOW DUE AND PAYABLE

Checks should be made payable to: **Director of Finance, City of Roseville** and mailed to:

Director of Finance, City of Roseville
Woodcreek East CFD No. 1 Special Tax
311 Vernon Street
Roseville, CA 95678

or the bill may be paid in person at the same location.

The amounts which must be paid to avoid incurring penalties and additional costs is shown above. **The FIRST INSTALLMENT** of this Special Tax will be delinquent if not paid by **December 10, ____**. **The SECOND INSTALLMENT** of this Special Tax will be delinquent if not paid by **April 10, ____**. All delinquencies incur an immediate 10% penalty and an additional 1½% penalty on the first day of each month beginning July 1, _____. Delinquencies are also subject to judicial foreclosure under the procedure set forth in §53356.1 and following of the Government Code.

Dated: _____

DIRECTOR OF FINANCE

KEEP THIS PORTION OF THE BILL FOR YOUR RECORDS
PLEASE RETURN THIS PORTION OF THE BILL WITH YOUR PAYMENT

First Installment

SPECIAL TAX BILL

COMMUNITY FACILITIES DISTRICT NO. 1
CITY OF ROSEVILLE
PLACER COUNTY, CALIFORNIA

To: _____

RE: PROPERTY AT _____ APN: _____

ANNUAL TAX: \$ _____

FIRST INSTALLMENT: \$ _____

The amount which must be paid to avoid incurring penalties and additional costs is shown above. **This Special Tax will be delinquent if not paid by December 10, ____.** All delinquencies incur an immediate 10% penalty and an additional 1½% penalty on the first day of each month beginning July 1, _____. Delinquencies are also subject to judicial foreclosure under the procedure set forth in §53356.1 and following of the Government Code.

Checks should be made payable to: **Director of Finance, City of Roseville** and mailed to:

Director of Finance, City of Roseville
Woodcreek East CFD No. 1 Special Tax
311 Vernon Street
Roseville, CA 95678

or the bill may be paid in person at the same location.

Please write the parcel number (APN) on your check.

PLEASE RETURN THIS PORTION OF THE BILL WITH YOUR PAYMENT

Second Installment

SPECIAL TAX BILL

COMMUNITY FACILITIES DISTRICT NO. 1
CITY OF ROSEVILLE
PLACER COUNTY, CALIFORNIA

To: _____

RE: PROPERTY AT _____ APN: _____

ANNUAL TAX: \$ _____

SECOND INSTALLMENT: \$ _____

The amount which must be paid to avoid incurring penalties and additional costs is shown above. **This Special Tax will be delinquent if not paid by April 10, ____.** All delinquencies incur an immediate 10% penalty and an additional 1½% penalty on the first day of each month beginning July 1, _____. Delinquencies are also subject to judicial foreclosure under the procedure set forth in §53356.1 and following of the Government Code.

Checks should be made payable to: **Director of Finance, City of Roseville** and mailed to:

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Please write the parcel number (APN) on your check.