

CITY COUNCIL OF THE CITY OF ROSEVILLE

RESOLUTION NO. 02-53

RESOLUTION OF FORMATION OF COMMUNITY FACILITIES
DISTRICT AND TO LEVY A SPECIAL TAX IN
CROCKER RANCH COMMUNITY FACILITIES DISTRICT NO. 1

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

1. Reference is made to Resolutions No. 01-477 (A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROSEVILLE APPROVING BOUNDARY MAP OF CROCKER RANCH COMMUNITY FACILITIES DISTRICT NO. 1, No. 01-478 (A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF ROSEVILLE TO FORM COMMUNITY FACILITIES DISTRICT AND LEVY A SPECIAL TAX IN CROCKER RANCH COMMUNITY FACILITIES DISTRICT NO. 1 and No. 01-479 (A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROSEVILLE TO INCUR BONDED INDEBTEDNESS IN CROCKER RANCH COMMUNITY FACILITIES DISTRICT NO. 1 of this City Council adopted September 19, 2001 for the preliminary scope of the project and financing contemplated by these proceedings.
2. This City Council has conducted the public hearing set by Resolution No. 01-478 and No. 01-479, 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 "Crocker Ranch 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. 01-477, adopted September 19, 2001 and filed for record on January 7, 2002 in the Office of the County Recorder of the County of Placer in Book 3, at Page 19 of the Maps of Assessment and Community Facilities Districts.

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 2001-02 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 1 1/2% penalty on the first day of each month beginning with the next succeeding September 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 \$20,000,000.

13. Based upon the Certificate Re Ownership Within the District 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 6th day of February, 2002, by the following vote on roll call:

AYES: Councilmembers: Earl Rush, Richard Roccuoci, Rocky Rockholm
NOES: Councilmembers: None
ABSTAIN: Councilmembers: None
ABSENT: Councilmembers: Gina Garbolino, Cláudia Gamar


Mayor

ATTEST:


Carolyn Lovinson

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

Crocker Ranch 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:

- Blue Oaks Boulevard
- Crocker Ranch Road
- Fiddymment Road
- Casa Sedona Drive
- Opal Drive
- Other public roadway improvement required to meet the needs of the project

Eligible roadway improvements include; purchase of right of way; roadway design; project management; bridge crossings, demolition, grading and paving; joint trenches and underground utilities; curbs, gutters, and sidewalks (including sidewalks on some or all of above mentioned roads); street lights (including reimbursements to the City) and signalization; intersection improvements; signs and striping; soundwalls and fencing; and median and corridor landscaping related thereto.

Wastewater System Improvements

Authorized facilities include any and all wastewater facilities designed to meet the needs of development within Crocker Ranch CFD No. 1. These facilities include sewer improvements consistent with the Master Wastewater Plan.

Water System Improvements

Authorized facilities include any and all water facilities designed to meet the needs of development within Crocker Ranch CFD No. 1. These facilities include water distribution facilities including fire hydrants, and related water system improvements; pressure reducing stations, flow meters, and recycled water improvements. Landowner's fair share for the retrofit of water/irrigation system at Diamond Oaks Golf Course.

Drainage System Improvements

Authorized facilities include any and all drainage and storm sewer improvements designed to serve the needs of development within the CFD including, but not limited to pipelines and appurtenances, temporary drainage facilities, detention basins, and drainage pretreatment facilities.

Electric Facilities

Authorized facilities include on-site and off-site electric distribution facilities.

Park Improvements

Authorized facilities include any and all improvements to park facilities located in the Phase II and Phase III of the North Roseville Specific Plan, including acquisition of property and the design and construction thereof.

Masonry Wall/Fencing

Authorized facilities include masonry wall fencing along the projects' northern boundary.

Contributions to City Projects

Authorized facilities include contributions to the following public improvements including but not limited to the following items:

- Construction of the Mahany Community Center and the off-site softball fields;
- Contributions to a transportation study of the Riverside/Cirby intersection;
- Landowners fair share for the update of the City's Bikeway Master Plan and City's short Range and Long Range Transit Master Plans;
- Mahany Park facilities;
- Diamond Oaks Golf Course irrigation facilities;
- Other City park facilities; and
- Other Citywide facility contributions as specified in the Mourier 160 or Doctors Ranch Development Agreement(s) entered into by the Developer and the City of Roseville.

City and County Public Improvements

Public improvements, such as roadways, wastewater system improvements, sewer system improvements, public facility improvements and other capital improvements for which developer impact fees are payable to the City pursuant to approved ordinances or resolutions upon issuance of a building permit or upon final map approval for a single family residence within the CFD are authorized costs under the CFD.

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 or mitigation); construction staking; utility relocation

and demolition costs incident to the construction of the public facilities, cost 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 Crocker Ranch project; and any other expenses incidental to the construction, completion, and inspection of the facilities.

EXHIBIT B

Incidental Expenses and Bond Issuance Costs

CROCKER RANCH 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 and expenses
- Disclosure counsel services and 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 services
- 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
- Legal counsel fees
- Rating agency fees

EXHIBIT c

CITY OF ROSEVILLE
CROCKER RANCH COMMUNITY FACILITIES DISTRICT NO. 1
RATE AND METHOD OF APPORTIONMENT

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 Crocker Ranch 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 facilities.

"**Anticipated Construction Proceeds**" means \$13,750,000 as adjusted annually after the Base Year in accordance with the Engineering News Record Building Cost Index.

"**Base Year**" means Fiscal Year ending June 30, 2002.

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

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

"Bond Share" means the Benefit Share for a Parcel multiplied by the total 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 Crocker Ranch 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 and Parcel number as recorded by the County Assessor on the equalized tax roll.

"Crocker Ranch" means the Crocker Ranch Community Facilities District No. 1 of the City of Roseville.

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

"Developed Parcel" means a Parcel receiving one of the following development approvals from the City where right-of-way for streets and other public facilities are dedicated:

<u>Land Use</u>	<u>Development Approval</u>
Single Family Residential	- Final Subdivision Map
Other Taxable Land Uses	- Building Permit

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

"Final Use Parcel" means a Parcel with a residential structure and a certificate of occupancy permit and is owned by an individual owner other than the builder. A Final Use Parcel may also be a custom residential lot without a residential structure that is owned by an individual property owner.

"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 Annual Special Tax obligation prior to the termination of Special Taxes for the CFD as a whole.

Final

"Gross Acre(age)" means the acreage of a parcel prior to dedication of right of way for streets, roads, landscaping, and other public purposes.

"Large Lot Number" means the designation for Large Lot Parcels in the CFD as shown on **Map 1**. The Maximum Annual Special Tax is assigned to each Large Lot Parcel, which is identified by the Large Lot Number, at CFD formation as shown in **Attachment 1**.

"Large Lot Parcel" means the planned Large Lot Parcels by land use as identified in the North Roseville Specific Plan Phase II and Phase III, or Parcels subsequently created by Large Lot Subdivision Maps.

"Large Lot Subdivision Map" means a recorded map delineating Parcels by land use and providing an opportunity to transfer ownership of the delineated Parcels.

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

"Maximum CFD Revenue" means the sum of the Maximum Annual Special Tax for all of the Taxable Parcels in the CFD. The Maximum CFD Revenue shall be \$1,686,996. This amount may be adjusted by Resolution of City Council to reflect the actual Maximum Annual Special Tax for all Taxable Parcels.

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

"Outstanding Bond Share" means the amount calculated for a Parcel to prepay the Special Tax obligation for the CFD. This amount is derived by subtracting the Reserve Fund Share from the Bond Share, and adding to that result any costs associated with the redemption of bonds, further delineated in Section 7, Step A.5.

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

"Pay-As-You-Go" means funding for authorized facilities from accumulated special tax revenues.

"Planned Unit" means the number of single family residential lots or parcels estimated to be created by a Final Subdivision map for each Large Lot Parcel shown **Attachment 1**.

"Prepayment" means the full payment of Maximum Annual 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.

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

"Reserve Fund Share" means the lesser of (i) the reserve requirement on all Outstanding Bonds, or (ii) the Reserve Fund balance on all outstanding bonds, multiplied by the Benefit Share for a given Parcel.

"Special Tax(es)" mean(s) any tax levy under the Act in the CFD as defined by the Annual Costs and as levied pursuant to Section 6 herein.

"Subdivision" means one or more Parcels created through the Subdivision Map Act process.

"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.

"Tax Zone 1" means that area so designated on **Map 1**, located in the CFD south of the North Branch of Pleasant Grove Creek.

"Tax Zone 2" means that area so designated on **Map 1**, located in the CFD north of the North Branch of Pleasant Grove Creek.

"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 a Parcel, and (2) any Parcel that has prepaid its Special Taxes under Section 7 hereof.

"Undeveloped Parcel" means any Taxable Parcel that is not a Developed Parcel or a Large Lot Parcel.

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.

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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 ANNUAL SPECIAL TAXES

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

1. Classify each Taxable Parcel as a Developed Parcel, Large Lot Parcel, or an Undeveloped Parcel. Taxable Parcels are further classified as being located in Tax Zone 1 or Tax Zone 2, as shown on **Map 1**.
2. The assignment of the Maximum Annual Special Tax to Taxable Parcels is as follows:
 - a) Developed Parcels - the Maximum Annual Special Tax for all Developed Parcels is assigned using **Attachment 1**. Each Large Lot Parcel shown in **Attachment 1** is assigned a number of Planned Units and an assigned Maximum Annual Special Tax. As Large Lot Parcels are subdivided, the Maximum Annual Special Tax is allocated to Developed Parcels using the following steps.
 - 1) If a Large Lot Parcel shown in **Attachment 1** is subdivided with no remainder parcel, divide the Maximum Annual Special Tax for the Large Lot Parcel by the number of small lot residential Parcels created by the Final Subdivision Map to arrive at the Maximum Annual Special Tax for each Taxable Parcel created.
 - 2) If a Large Lot Parcel is subdivided creating small lot residential Parcels and a remainder Parcel, perform the following steps.
 - (i) Assign the Maximum Annual Special Tax per Planned Unit shown for the Large Lot Parcel in **Attachment 1** to each small lot residential Parcel.
 - (ii) Subtract the number of small lot residential Parcels created by the Final Subdivision Map from the Planned Units for the Large Lot Parcel. Assign the resulting number of Planned Units to the remainder Parcel. If more than one remainder Parcel is created in the subdivision of a Large Lot Parcel, the Planned Units will be assigned to the remainder Parcels based on the development potential of each remainder Parcel.

- (iii) Multiply the Estimated Maximum Annual Special Tax Rate by the number of Planned Units assigned to the remainder Parcel(s) to derive the Maximum Annual Special Tax for the Parcel(s).
- 3) If a Large Lot is developed as other than a single family residential use, the Maximum Annual Special Tax for the Parcel at Developed Parcel status is the Maximum Annual Special Tax for the Large Lot Parcels as shown in **Attachment 1**, or the Maximum Annual Special Tax calculated for remainder Parcels in Step 2) above.
- b) Large Lot Parcels - the Maximum Annual Special Tax for all Large Lot Parcels is assigned using **Attachment 1**. A remainder Parcel that is created in Step 5.2.a) 2) above will be considered a Large Lot Parcel.
 - c) Undeveloped Parcels - the Maximum Annual Special Tax for an Undeveloped Parcel is calculated by multiplying the Gross Acreage by the Maximum Annual Special Tax Rate for Undeveloped Parcels shown on **Attachment 1**.
 - d) 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 Annual Special Tax for each such Parcel shall be set equal to the average Maximum Annual Special Tax per unit or acre for Parcels with similar land use designations, as determined by the Finance Director.
 - e) Taxable Parcels Acquired by a Public Agency - A Taxable Parcel 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 Annual 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 Taxable 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 the Annual Costs using the definition of Annual Costs in Section 2.

- Step 2: Compute 100 percent of the Maximum Annual Special Tax Revenue for all Developed Parcels in Tax Zone 1 and Tax Zone 2 by summing the Maximum Annual Special Tax for each Taxable Parcel.
- Step 3: Compare the Annual Costs with the Maximum Annual Special Tax Revenue from Developed Parcels calculated in the previous step.
- Step 4: If the Annual Costs are less than or equal to the Maximum Annual Special Tax Revenue, levy a proportional amount of the Special Tax on each Developed Parcels in Tax Zone 1 and Tax Zone 2 to just equal the amount of Annual Costs or until 100 percent of the Maximum Annual Special Tax is reached for such Developed Parcels.
- Step 5: If the Annual Costs are greater than the Maximum Annual Special Tax Revenue from Developed Parcels in Tax Zone 1 and Tax Zone 2, levy the Maximum Annual Special Tax on each Large Lot Parcel in Tax Zone 1 to just equal the amount of Annual Costs or until 100 percent of the Maximum Annual Special Tax is reached for such Large Lot Parcels in Tax Zone 1.
- Step 6: If the Annual Costs are greater than the Maximum Annual Special Tax Revenue from Developed Parcels in Tax Zone 1 and Tax Zone 2 and Large Lot Parcels in Tax Zone 1, levy the Maximum Annual Special Tax on each Large Lot Parcel in Tax Zone 2 to just equal the amount of Annual Costs or until 100 percent of the Maximum Annual Special Tax is reached for such Large Lot Parcels in Tax Zone 2.
- Step 7: If the Annual Costs are greater than the Maximum Annual Special Tax Revenue from Developed Parcels in Tax Zone 1 and Tax Zone 2, and Large Lot Parcels in Tax Zone 1 and Tax Zone 2, levy the Maximum Annual Special Tax on each Undeveloped Parcel in Tax Zone 1 to just equal the amount of Annual Costs or until 100 percent of the Maximum Annual Special Tax is reached for such Undeveloped Parcels in Tax Zone 1.
- Step 8: If the Annual Costs are greater than the Maximum Annual Special Tax Revenue from Developed Parcels in Tax Zone 1 and Tax Zone 2, Large Lot Parcels in Tax Zone 1 and Tax Zone 2, and Undeveloped Parcels in Tax Zone 1, levy the Maximum Annual Special Tax on each Undeveloped Parcel in Tax Zone 2 to just equal the amount of Annual Costs or until 100 percent of the Maximum Annual Special Tax is reached for such Undeveloped Parcels in Tax Zone 2.
- 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 the Crocker Ranch takes place, the Finance Director will maintain a file of each current assessor's parcel number within the CFD, its Maximum Annual Special Tax, and the authorized Maximum Annual Special Tax on all Parcels within in the CFD available for public inspection. This record shall show the Maximum Annual Special Tax on all Developed, Large Lot, and Undeveloped Parcels and a brief description of the process of assigning the Special Tax each time a Parcel was created by a Subdivision, including any adjustments due to change in use. The record will also indicate whether a Parcel is a Prepayment Parcel.

7. PREPAYMENT OF SPECIAL TAX OBLIGATION

With a Prepayment, a landowner may satisfy all of the Special Tax obligation on any given Parcel:

Landowners may permanently satisfy all 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:

- The Parcel is either (i) a whole Specific Plan Parcel greater than one acre, or (ii) a Final Use Parcel.
- 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.

The Full Prepayment amount shall be established by following the steps in Part A and B, and transfers from the Reserve Fund for a Full Prepayment are described in Part C below.

Part A: Prepayment of Outstanding Bond Share

Step A.1: Determine the Maximum Annual Special Tax for the Parcel based on the assignment of the Maximum Annual Special Tax described in Section 5 above.

- Step A.2: Determine the Benefit Share by dividing the Maximum Annual Special Tax determined in Step A.1 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 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 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
- Step A.5: Determine the Outstanding Bond Share by adding to the amount calculated in Step A.4 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 Construction Proceeds.
- 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 already funded with Special Tax revenues on a pay-as-you-go basis 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 from the Total Facility Cost Share determined in Step B.1. (Notwithstanding the above, once the City has funded all authorized CFD facilities 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 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: Transfers

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

Step C.1: Transfer the amount of the Reserve Fund Share.

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 that 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.

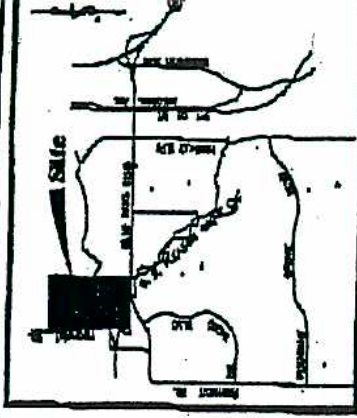
Attachment 1
 City of Roseville
 Crocker Ranch CFD No. 1
 Maximum Annual Special Tax By Large Lot Number

Large Lot Number	Assessor's Parcel Number	Planned Units	Estimated Maximum Annual Special Tax Rate [1]	Maximum Annual Special Tax
<i>Per Planned Unit</i>				
W-1	017-114-082	35	\$1,740	\$60,900
W-2	017-114-083	36	\$1,740	\$62,640
W-3A	por. 017-114-084	112	\$1,740	\$194,880
W-3B	por. 017-114-084	36	\$1,536	\$55,296
W-4	017-114-085	112	\$1,740	\$194,880
W-5	017-114-086	48	\$1,740	\$83,520
DR-1	por. 017-114-028	45	\$1,344	\$60,480
DR-2	por. 017-114-028	72	\$1,536	\$110,592
DR-3	por. 017-114-028	306	\$1,536	\$470,016
DR-4	por. 017-114-028	293	\$1,344	\$393,792
DR-50	por. 017-114-028	0	<i>Exempt</i>	\$0
W-50	017-114-087	0	<i>Exempt</i>	\$0
W-51	017-114-088	0	<i>Exempt</i>	\$0
W-52	017-114-089	0	<i>Exempt</i>	\$0
W-53	017-114-090	0	<i>Exempt</i>	\$0
W-80	017-114-091	0	<i>Exempt</i>	\$0
W-81	017-114-092	0	<i>Exempt</i>	\$0
W-82	017-114-089	0	<i>Exempt</i>	\$0
W-83		0	<i>Exempt</i>	\$0
Totals		1,095		\$1,686,996

Undeveloped Parcels Per Gross Acre
\$7,400

[1] Estimated Maximum Annual Special Tax Rate per unit is calculated by dividing the Maximum Annual Special Tax by the number of Planned Units. The Maximum Annual Special Tax per unit will be calculated by dividing the Maximum Annual Special Tax by the actual number units created by a final map. If fewer units are created than estimated in this table, the Maximum Annual Special Tax per unit will increase unless the Special Tax is transferred pursuant to provisions of Section 5.2.

"att_1"



Vicinity Map
A15

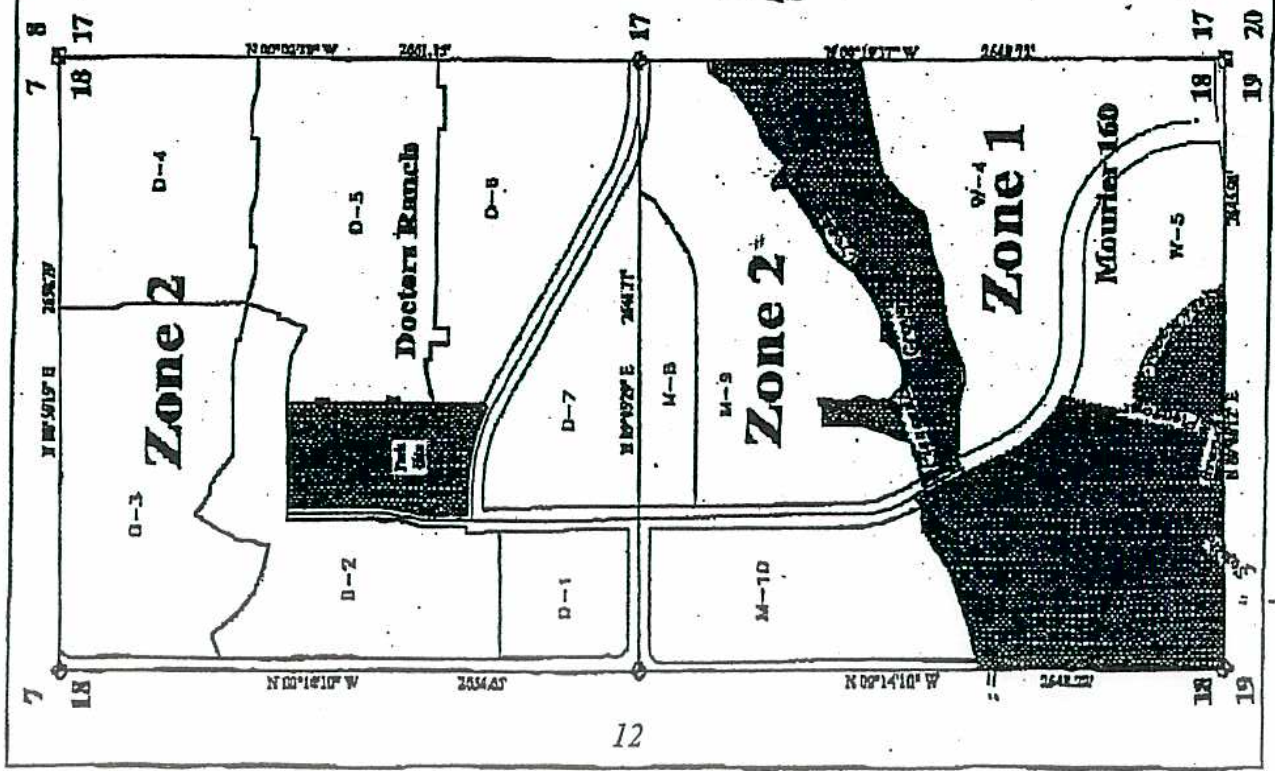
Improvement Zones Crocker Ranch Community Facilities District No. 1

The East 1/2 of Section 18
T-11 N., R.6 E., M.D.M.,
City of Roseville
Placer County, California
Scale 1" = 550' July 2001

Sheet 1 of 1



Not a part of
this District



F0000000

EXHIBIT D

SPECIAL TAX BILL

CROCKER RANCH 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 _____, 2002 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 _____, 2002 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
Crocker Ranch 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 1 1/2% penalty on the first day of each month beginning September 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

**CROCKER RANCH 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 1 1/2% penalty on the first day of each month beginning September 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
Crocker Ranch 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

CROCKER RANCH 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 1 1/2% penalty on the first day of each month beginning September 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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FILED 02-05
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