

CITY COUNCIL OF THE CITY OF ROSEVILLE

RESOLUTION NO. 01-362

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

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

1. Reference is made to Resolutions No. 01-235, No. 01-236 and No. 01-237 of this City Council adopted June 6, 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. 01-236 and No. 01-237, 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 "Stoneridge West 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. 235 adopted June 6, 2001 and filed for record on June 20, 2001 in the Office of the County Recorder of the County of Placer as Document No. 2001-61283 and in Book 3, at Page 24 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 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 \$15,000,000.

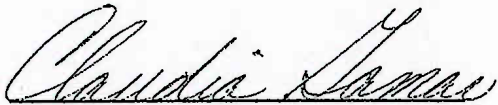
13. Based upon the Certificate Re Ownership Within the District heretofore filed with this City Council, the qualified electors for the election to be held in these proceedings shall be the landowners owning land within the District. The City Council will conduct the election by mailed ballot and hereby 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 18th day of July, 2001, by the following vote on roll call:

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


Mayor

ATTEST:


City Clerk

EXHIBIT A - CFD Improvements
EXHIBIT B - Incidental Expenses and Bond Issuance Costs
EXHIBIT C - Rate and Method of Apportionment

EXHIBIT "A"

List of Authorized Facilities

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

ROADS

Secret Ravine Parkway

- Construction of four lanes from the intersection of Roseville Parkway approximately 4,300 feet easterly, excluding the False Ravine Bridge. The roadway improvements shall include necessary roadway grading; asphalt paving with aggregate base; storm drainage facilities; curb and gutter; sidewalk; sewer facilities; water facilities; street signs; street lighting; landscape median islands; landscape corridors, including soundwalls; electrical facilities, including electric, telephone, gas and broadband facilities; and necessary appurtenances thereto, to provide sufficient width for four traffic lanes, appropriate turning lanes, widenings at intersections, and any other necessary or related improvements.

Alexandra Drive

- Construction of two (2) lanes from intersection of Roseville Parkway northeast approximately 3,000 feet, consisting of necessary roadway grading; asphalt paving with aggregate base; storm drainage facilities; curb and gutter; sidewalk; sewer facilities; water facilities; street signs; street lighting; landscape corridors; electrical facilities, including electric, telephone, gas and broadband facilities; and necessary appurtenances thereto, to provide sufficient width for two traffic lanes, appropriate turning lanes, and any other necessary or related improvements.

Roseville Parkway Frontage Improvements

- Frontage improvements to Roseville Parkway (including without limitation, grading and asphalt paving with aggregate base for the frontage lanes adjacent to the Property; storm drainage facilities; curb and gutter; sidewalk; sewer facilities; water facilities; street signs; street lighting; landscape corridors, including soundwalls; median landscaping; electrical facilities, including electric, telephone, gas and broadband facilities; and necessary appurtenances thereto, and any other improvements to Roseville Parkway that do not qualify for reimbursement from the City's Transportation Management Fees), to the extent the costs of such improvements are not otherwise reimbursed with proceeds from the existing Stoneridge Parcel No. 1 Community Facilities District No. 1.

Signals

- Installation of traffic signals, including all underground conduit and appurtenances thereto, for the following intersections: Roseville Parkway and North Sunrise Boulevard; Roseville Parkway and Secret Ravine Parkway, Roseville Parkway and Alexandra Drive, Roseville Parkway and Rocky Ridge and Roseville Parkway and Leadhill Drive, to the extent the costs of such signal improvements are not otherwise reimbursed with proceeds from the existing Stoneridge Parcel No. 1 Community Facilities District No. 1 or from the City's Traffic Mitigation Fees.

DRAINAGE

Storm drain mains required by the Master Drainage Plan that are located within Stoneridge West and laterals located within the above-described road improvements.

WATER

- All on-site improvements to the water system required by the Water Study, as generally shown on Exhibit "F" of this Agreement, that are located within the above-described road improvements and not otherwise reimbursed by the City from other funds.

SEWER

Sewer lift station and force main through Parcel 23 to serve Parcels 17, 23 and 27.

All on-site improvements to the sewer system required by the Master Wastewater Plan, as generally shown on Exhibit "G" to this Agreement, that are located within the above-described road improvements.

ELECTRIC FACILITIES

- All on-site electrical distribution facilities within Stoneridge West identified in Exhibit "D" of this Agreement.

All other electrical facilities located within the above-described road improvements.

PARK IMPROVEMENTS

Park improvements for Park Parcel 18, including grading, hardscape, planting, irrigation and recreational facilities, and any other necessary or related improvements in accordance with the approved conceptual layout shown in the Specific Plan.

BUILDING PERMIT FEES

Up to approximately \$9,097,000, for the following City and County fees, in the approximate amounts as shown, allocable to the 566 single family units to be constructed within the Builders' Parcels consisting of Specific Plan Parcels 19, 20, 34 and 35:

Traffic Mitigation Fee	\$2,090,000*
Neighborhood Park Fee	\$1,387,000**
City-wide Park Fee	\$560,000
Water Fee	\$2,000,000
Regional Sewer Fee	\$1,810,000
Local Sewer Fee	\$120,000
Drainage Fee	\$330,000
Placer County Public Facilities Fee	\$800,000

* *The amount of this prepaid fee may be reduced by any credits that may be applied against this fee at time of CFD Bond sale.*

** *Includes an AKT obligation for a \$6,300 park fee shortfall.*

EXHIBIT B

Incidental Expenses and Bond Issuance Costs

STONERIDGE WEST 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
- Rating agency fees
- Legal counsel fees

EXHIBIT C

CITY OF ROSEVILLE

STONERIDGE WEST 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 Stoneridge West 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.

"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 Stoneridge West 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.

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

"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 which 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.

"Maximum Annual 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 Annual Special Tax will be reassigned to the Successor Parcels.

"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 \$1,017,300. This amount may be adjusted by Resolution of City Council to reflect the actual Maximum Annual Special Tax for all Taxable Parcels.

"Original Parcel" means the Parcels that lie within the boundaries of the CFD at the time of formation, as shown on Map 1. Original Parcels are identified in Attachment 1, wherein each Original Parcel is assigned a Maximum Annual Special Tax.

"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.

"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. The Public Parcels - so identified at the formation of the CFD - are exempt from the Special Tax levy.

"Reserve Fund" means the total amount held in the bond reserve fund 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.

"Subdivision" means one or more Successor Parcels created from an Original Parcel(s) or Successor Parcel(s) through the Subdivision Map Act process.

"Successor Parcel" means a Parcel created by Subdivision, lot line adjustment, or parcel map from an Original Parcel, or from another Successor 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, (2) a Parcel designated in the Stoneridge Specific Plan as a Public Parcel, and (3) any Parcel that has prepaid its Special Taxes under Section 7 hereof.

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 ANNUAL SPECIAL TAXES

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

Classify Each Taxable Parcel as an Original Parcel or a Successor Parcel.

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

- a) Original Parcels - The Maximum Annual Special Tax for an Original Parcel shall be determined by assigning the Maximum Annual Special Tax from Attachment 1 to each Original Parcel as shown in Map 1
- b) Successor Parcel - the Maximum Annual Special Tax for each Successor Parcel of a Original 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 Annual Special Tax assigned to the Original Parcel, as

identified in step a), by the number of single family residential Parcels or residential condominium units. The result of this calculation is the Maximum Annual Special Tax for each single family residential or residential condominium Successor Parcel within the Subdivision.

(ii) If the Successor Parcel is the result of a non-residential or multi-family Subdivision, or a single family residential Subdivision that is not creating final residential lots:

- calculate the percentage of the taxable Successor Parcel's square footage to the total square footage for all taxable Successor Parcels of that Specific Plan Parcel or Successor Parcel; then,
- multiply this percentage by the Maximum Special Tax assigned to the previous Specific Plan Parcel or Successor Parcel. The result of this calculation is the Maximum Special Tax.

c) Residential Unit/Maximum Annual Special Tax Transfer - the Maximum Annual Special Tax assigned to a single family residential Parcel under steps a) or b) may be adjusted to reflect a change in the number of originally planned residential units (as shown in Attachment 1) resulting from a transfer of units from one Successor Parcel to another Successor Parcel if:

- any decrease in one Parcel's Maximum Annual Special Tax assignment is offset by an equal increase in the Maximum Annual Special Tax of other Parcels to ensure that there is no net loss in the total Maximum Annual Special Taxes; and,
- all adjustments are agreed to in writing by the affected property owners and the Finance Director.

Such adjustment shall be made in the following manner:

- (i) Calculate the existing Maximum Annual Special Tax per unit by dividing the Maximum Annual Special Tax for the Parcel by the number of units assigned to that Parcel;
- (ii) Calculate the total Maximum Annual Special Tax being transferred by multiplying the number of units being transferred by the calculation in step (i). Add the total Maximum Annual Special Tax and number of units being transferred to the Parcel(s) receiving the transferred units and Maximum Annual Special Tax.
- (iii) Subtract the total Maximum Annual Special Tax and the number of residential units being transferred, as identified in step (ii), from the Parcel transferring the Maximum Annual Special Tax and the residential units.

- d) Maximum Annual Special Tax Shift - If the assignment of Maximum Annual Special Taxes to Successor Parcels under step b), or through a transfer of Maximum Annual Special Tax in step c), results in inequitable Maximum Annual Special Taxes between residential Subdivisions, the revised Maximum Annual Special Taxes may be shifted between Parcels further to accommodate a uniform Special Tax throughout the CFD. Such adjustments shall also be subject to the transfer conditions under step c) above.
- e) Conversion of a Tax-Exempt Parcel to a Taxable Parcel - if 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.
- f) 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 100% of the Maximum Annual Special Tax revenue for all Taxable Parcels.
 - Step 2: Compare the Annual Costs with the Maximum Annual Special Tax revenue calculated in the previous step.
 - Step 3: If the Annual Costs are less than the Maximum Annual 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 Parcels within the CFD take 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 the CFD available for public inspection. This record shall show the Maximum Annual Special Tax on all Original Parcels and Successor Parcels and a brief description of the process of assigning the Special Tax each time a Original or Successor Parcel was created, 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

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, (ii) a Successor Parcel greater than ten acres, or (iii) 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 Prepayment amount shall be established by following the steps in Part A below. Transfers from the Reserve Fund for a Prepayment are described in Part B 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.
- 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 called.

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: Transfers

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

Transfer the Reserve Fund Share from the Reserve Fund to the prepayment fund.

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.

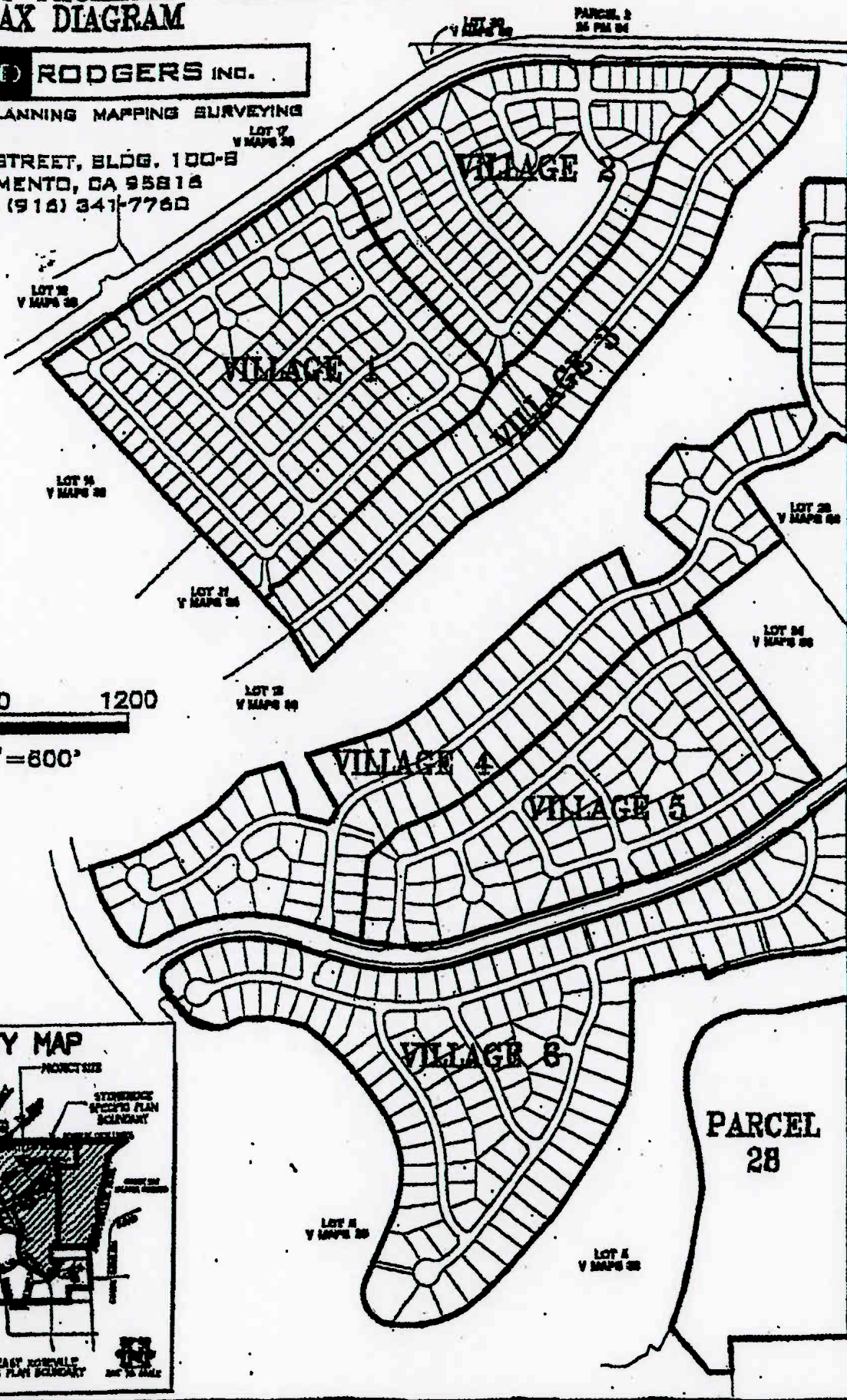
**CITY OF ROSEVILLE
 STONERIDGE WEST
 COMMUNITY FACILITIES DISTRICT NO. 1
 SPECIAL TAX DIAGRAM**

Map 1 - Boundary Map

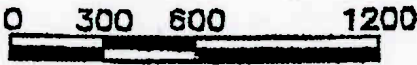
WILLI D. RODGERS INC.

ENGINEERING PLANNING MAPPING SURVEYING

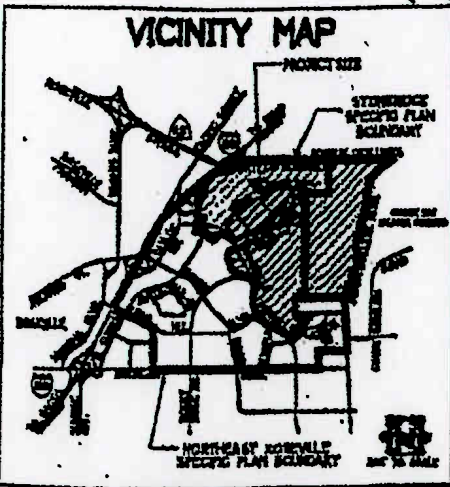
3301 G STREET, BLDG. 100-B
 SACRAMENTO, CA 95818
 PHONE: (916) 341-7760



PLACER COUNTY



SCALE: 1" = 600'



Attachment 1
City of Roseville
Stoneridge West CFD No. 1
Maximum Annual Special Tax - Original Parcels

Village	Assessor's Parcel Number	Planned Units	Estimated	
			Maximum Annual Special Tax Rate [1]	Maximum Annual Special Tax
Village 1 [2]	456-020-001 to 068	66	\$1,300	\$85,800
Village 1 [3]	456-030-001 to 045	41	\$1,300	\$53,300
Village 1 [4]	456-040-001 to 064	63	\$1,300	\$81,900
Village 2 [5]	456-070-001 to 059	54	\$1,100	\$59,400
Village 2 [6]	456-080-001 to 036	50	\$1,100	\$55,000
Village 3	456-010-007	72	\$1,530	\$110,160
Village 4	456-010-013	99	\$1,530	\$151,470
Village 5 [7]	456-050-001 to 053	44	\$1,500	\$66,000
Village 5	456-060-001 to 050	50	\$1,500	\$75,000
Village 6	456-010-014	126	\$1,500	\$189,000
Parcel 28	456-010-015	58	\$1,530	\$88,740
Parcel 28	456-010-016	1	\$1,530	\$1,530
Totals		724		\$1,017,300

"Attachment_1"

- [1] Estimated Maximum Annual Special Tax 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.C.
- [2] APNs 456-020-067 & 068 are landscape corridors at the subdivision entry and are tax-exempt as specified in the tax formula.
- [3] APNs 456-030-042 through 045 are landscape corridors at the entry to the subdivision and are tax-exempt, as specified in the tax formula.
- [4] APN 456-040-064 is a public utility easement and is tax-exempt, as specified in the tax formula.
- [5] APNs 456-070-055 & 056 are landscape corridors at the entry to the subdivision. APN 456-070-057 is a public utility easement. APN 456-070-058 is open space, and APN 456-070-059 is a public park. All of these parcels are tax-exempt, as specified in the tax formula.
- [6] APN 456-080-034 is designated as "remainder lands". Seventeen taxable lots are proposed to be created on this parcel. APNs 456-080-035 and 036 are landscape corridors at the entry to the subdivision, and will be exempt from the special tax, as specified in the tax formula.

EXHIBIT D

SPECIAL TAX BILL

STONERIDGE WEST 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 _____, 2001 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 _____, 2001 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
Stoneridge West 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 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

**STONERIDGE WEST 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 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
Stoneridge West 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.

Roseville

PLEASE RETURN THIS PORTION OF THE BILL WITH YOUR
PAYMENT

Second Installment

SPECIAL TAX BILL

STONERIDGE WEST 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 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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