

**RESOLUTION NO. 16-304
OF THE CITY COUNCIL OF THE CITY OF ROSEVILLE
STATE OF CALIFORNIA**

RESOLUTION OF FORMATION OF COMMUNITY FACILITIES DISTRICT

**CITY OF ROSEVILLE
HP Campus Oaks Community Facilities District No. 2
(Public Services)**

RESOLVED by the City Council (the "Council") of the City of Roseville (the "City"), County of Placer, State of California, that:

WHEREAS, this Council, on June 1, 2016, adopted a resolution entitled "Resolution of Intention to Establish a Community Facilities District" (the "Resolution of Intention"), stating its intention to form "City of Roseville HP Campus Oaks Community Facilities District No. 2 (Public Services)" (the "CFD") pursuant to Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with Section 53311, of the California Government Code (the "Act") in order to levy a special tax (the "Special Tax") to finance all or a part of certain services (the "Services"), as described in the Resolution of Intention;

WHEREAS, the Resolution of Intention, incorporating a map of the proposed boundaries of the CFD and stating the Services to be provided and the rate and method of apportionment of the special tax to be levied within the CFD to pay for the Services (the "Rate and Method"), is on file with the City Clerk and the provisions thereof are incorporated herein by this reference as if fully set forth herein, except as amended by this resolution;

WHEREAS, on July 6, 2016, this Council held a noticed public hearing as required by the Act and the Resolution of Intention relative to the proposed formation of the CFD;

WHEREAS, at the hearing all interested persons desiring to be heard on all matters pertaining to the formation of the CFD, the Services to be provided therein and the levy of such special tax according to the Rate and Method were heard and a full and fair hearing was held;

WHEREAS, at the hearing evidence was presented to this Council on such matters before it, including a special report (the "Report") as to the Services to be provided through the CFD and the costs thereof, a copy of which is on file with the City Clerk, and this Council at the conclusion of said hearing is fully advised in the premises; and

WHEREAS, written protests with respect to the formation of the CFD, the furnishing of specified types of Services and the Rate and Method have not been filed with the City Clerk by 50% or more of the registered voters residing within the territory of the CFD or property owners of one-half or more of the area of land within the CFD and not exempt from the proposed special taxes.

NOW, THEREFORE, IT IS HEREBY ORDERED as follows:

1. **Recitals Correct.** The foregoing recitals are true and correct.
2. **No Majority Protest.** The proposed CFD and the proposed special tax to be levied within the CFD have not been precluded by majority protest pursuant to section 53324 of the Act.
3. **Prior Proceedings Valid.** All prior proceedings taken by this City Council in connection with the establishment of the CFD and the levy of the special tax have been duly considered and are hereby found and determined to be valid and in conformity with the Act.
4. **Name of the CFD.** The community facilities district designated "City of Roseville HP Campus Oaks Community Facilities District No. 2 (Public Services)" of the City is hereby established pursuant to the Act.
5. **Boundaries of CFD.** The boundaries of the CFD, as set forth in the map of the CFD heretofore recorded in the Placer County Recorder's Office on June 3, 2016, in Book 3 of Maps of Assessment and Community Facilities Districts at Page 74, as document number 2016-0043670, are hereby approved, are incorporated herein by reference and shall be the boundaries of the CFD.
6. **Description of Services.** The Services proposed to be financed by the CFD and pursuant to the Act shall consist of those items shown in Exhibit A hereto and by this reference incorporated herein.
7. **Special Tax.**
 - a. Except to the extent that funds are otherwise available to the CFD to pay for the Services, the Special Tax, sufficient to pay the costs thereof, secured by the recordation of a continuing lien against all non-exempt real property in the CFD, is intended to be levied annually within the CFD, and collected in the same manner as ordinary *ad valorem* property taxes or in such other manner as may be prescribed by this Council.
 - b. The proposed Rate and Method, in sufficient detail to allow each landowner within the proposed CFD to estimate the maximum amount such owner will have to pay, are shown in Exhibit B attached hereto and hereby incorporated herein.
8. **Increased Demands.** It is hereby found and determined that the Services are necessary to meet increased demands placed upon local agencies, including the City, as the result of development occurring in the CFD. The Services are in addition to those provided in the territory of the CFD as of the date hereof and will not supplant services already available within the territory of the CFD as of the date hereof.
9. **Responsible Official.** The City Finance Director (or such officer's designee) of the City of Roseville, 311 Vernon Street, Roseville, CA 95678, telephone number 916-774-5200, is the officer of the City who will be responsible for preparing annually a current roll of the levy of the Special Tax obligations by assessor's parcel number and who will be responsible for estimating future levies of the Special Tax.

10. Tax Lien. 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 in the CFD and this lien shall continue in force and effect until the Special Tax obligation is prepaid and permanently satisfied and the lien canceled in accordance with law or until collection of the Special Tax by the City ceases.

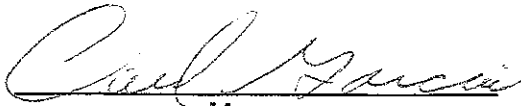
11. Appropriations Limit. In accordance with the Act, the annual appropriations limit, as defined by subdivision (h) of Section 8 of Article XIII B of the California Constitution, of the CFD is hereby preliminarily established at \$5,000,000 and such appropriations limit shall be submitted to the voters of the CFD as hereafter provided. The proposition establishing such annual appropriations limit shall become effective if approved by the qualified electors voting thereon and shall be adjusted in accordance with the applicable provisions of the Act and the Constitution.

12. Election. Pursuant to the provisions of the Act, the proposition of the levy of the Special Tax and the proposition of the establishment of the appropriations limit specified above shall be submitted to the qualified electors of the CFD at an election the time, place and conditions of which election shall be as specified by a separate resolution of this Council.

13. Effective Date. This resolution shall take effect upon its adoption.

I hereby certify that the foregoing Resolution was duly adopted by the City Council of the City of Roseville, California, at a regularly scheduled meeting thereof, held on the 6th day of July, 2016, by the following vote of the City Council:

AYES:	COUNCILMEMBERS	Gore, Rohan, Herman, Roccucci, Garcia
NOES:	COUNCILMEMBERS	None
ABSENT:	COUNCILMEMBERS	None
ABSTAIN:	COUNCILMEMBERS	None



Mayor

ATTEST:



City Clerk

EXHIBIT A

CITY OF ROSEVILLE HP Campus Oaks Community Facilities District No. 2 (Public Services)

DESCRIPTION OF SERVICES

The authorized services to be funded from the levy and collection of annual special taxes include those set forth below in addition to the costs associated with collecting and administering the special taxes and annual administering the District for the HP Campus Oaks Project (Project). The authorized services to be funded for the HP Campus Oaks Community Facilities District (CFD) No. 2 (Public Services) include these:

1. Open Space improvement, operations and management, monitoring, maintenance (including general maintenance, signage, City owned fence maintenance, trash and debris collection, and bike trails and their appurtenances [drainage culverts or pipes from adjacent subdivisions] within open space), creation and maintenance of fire breaks, Permits, Vandalism/Graffiti, Flood Conveyance (Vegetation/tree removals), Beaver dam removals, Outfall/drainage swale maintenance, Erosion control/bank stabilization, Native planting/replanting, Pre and post emergent, maintenance activities as required by the 404 permit and Open Space Overarching Maintenance & Management Plan and repair and replacement of facilities within open space areas in the Project Area.
2. The maintenance of on-site landscape corridors and paseos designed to serve the Project Area, including general maintenance, masonry walls, accent lighting, water and utility costs.
3. The maintenance of medians, entries, and entry monumentation.
4. The performance of leaf pick-up and street sweeping along the following roads:
 - Woodcreek Oaks Boulevard (east side only)
 - Blue Oaks Boulevard (south side only)
 - HP Way

- Painted Desert Road
 - Crimson Ridge Road
5. Neighborhood Park maintenance, and repair and replacement.
 6. Storm water management, water quality structural controls, including drainage swales constructed between storm drain facilities and receiving waters.
 7. Bus Transfer Station, bus shelters, bus stops and any park and ride lots as well as bus signs.
 8. Miscellaneous costs related to any of the items described above including planning, engineering, GIS, legal, and city and county administration costs.
 9. The levy of special taxes to accumulate sinking funds for anticipated future repairs or replacement costs of landscape corridors, irrigation facilities, medians, entries and entry monumentation, lighting, neighborhood parks, storm water management and other facilities maintained by the CFD as determined by the Administrator.

EXHIBIT B

City of Roseville
HP Campus Oaks Community Facilities District No. 2
(Public Services)
Placer County, California

RATE, METHOD OF APPORTIONMENT, AND
MANNER OF COLLECTION OF SPECIAL TAX
(MAY 10, 2016)

1. Basis of Special Tax Levy

A Special Tax authorized under the Mello-Roos Community Facilities Act of 1982 (Act) applicable to the land in the HP Campus Oaks Community Facilities District No. 2 (Public Services) (CFD) of the City of Roseville (City) shall be levied and collected according to the tax liability determined by the City through the application of the appropriate amount or rate, as described below.

2. Definitions

"Acre" or **"Acreage"** means the land area of a County Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable final map or other Development Plan.

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, Sections 53311 and following of the California Government Code.

"Administrative Expenses" means the actual or estimated costs incurred by the City to form the CFD and to determine, levy, and collect the Special Taxes, including compensation of City employees for administrative work performed in relation to the CFD, the fees of consultants and legal counsel, the costs of collecting installments of the Special Taxes on the general tax rolls, preparation of required reports, the cost of GIS mapping services, and any other costs required to administer the CFD as determined by the City.

"Administrator" means a City official in the Finance Department, or his or her designee.

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

"Affordable Unit" means a Unit built on a Residential Use Parcel for which an Affordable Unit agreement has been entered into for the property designating the Unit as affordable. A Multifamily Parcel may have only a portion of the Units assigned as Affordable Units. The City Manager, or his or her designee, shall determine which Units are designated as Affordable Units and maintain an Affordable Unit listing, which shall contain all designated buildable parcels by tract and lot number, and in the case of Large Lot Parcels remaining before May 1 of the

preceding Fiscal Year, the number of designated Affordable Units for each such Large Lot Parcel; all entries shall indicate the effective date of designation. The Affordable Unit listing also shall be updated to reflect those Units no longer qualifying as Affordable Units, also known as Market-Rate Units. The Affordable Unit listing, which shall contain all qualifying Affordable Units as of April 30, shall be made available to the Administrator by July 1 of each year for purposes of determining the Maximum Annual Special Tax for Parcels pursuant to **Section 4**.

"Annual Costs" means for each Fiscal Year, the total of (1) Authorized Services, (2) Administrative Expenses, and (3) any amounts needed to cure actual or estimated delinquencies in Special Taxes for the current or previous Fiscal Year.

"Assessor's Parcel Map" means an official map of the County Assessor designating Parcels by Assessor's Parcel Number.

"Assessor's Parcel Number" means the Parcel and Parcel Number as assigned by the County Assessor on the equalized tax roll.

"Assigned Maximum Annual Special Tax" means the Maximum Annual Special Tax assigned to each Large Lot Parcel that is an Original Parcel based on the Expected Land Uses at CFD formation, as shown in **Attachment 1**.

"Authorized Services" mean those services, as listed in the resolution forming the CFD.

"Base Year" means the Fiscal Year beginning July 1, 2016, and ending June 30, 2017.

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

"CFD" means the HP Campus Oaks Community Facilities District No. 2 (Public Services) of the City of Roseville, Placer County, California.

"City" means the City of Roseville in Placer County, California.

"Council" means the City Council of the City acting for the CFD under the Act.

"County" means the County of Placer, California.

"County Assessor's Parcel" means a lot or Parcel with an assigned Assessor's Parcel Number in the maps used by the County Assessor in preparing the tax roll.

"Developed Parcel" means, in any Fiscal Year, any Taxable Parcel for which a Building Permit was issued before May 1 of the preceding Fiscal Year for Residential Uses on Single-Family Parcels or Multifamily Parcels or for Nonresidential Uses on Nonresidential Use Parcels.

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

"Expected Land Use(s)" means the total number of Units or Acres of each land use type by Tax Category expected within each Large Lot Parcel and Original Parcel at CFD formation as identified in **Attachment 1** of this RMA.

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

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

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

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

"Large Lot Parcel" means a Parcel created by a Large Lot Subdivision Map.

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

"Light Industrial Uses" means a Parcel zoned by the City as Light Industrial (Tech./Business Park).

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

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

"Maximum Annual Special Tax Rate" means the rate of Maximum Annual Special Tax charged per Unit or per Acre, as shown in **Attachments 1 and 2**.

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

"Maximum Annual CFD Special Tax Revenue" means the sum of the Maximum Annual Special Tax levied on all Taxable Parcels in the CFD in a Fiscal Year.

"Multifamily" or **"Multifamily Parcel"** means any Parcel or Development Plan designated or developed for more than one residential dwelling Unit per Parcel. Such uses may consist of apartments or multifamily structures such as duplexes, triplexes, or time-share units.

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

"Original Parcel" means a Taxable Parcel identified in **Attachment 1** (and shown in **Map 1**) at formation of the CFD based on the Large Lot Subdivision Map recorded on December 23, 2015.

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

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

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

"Remainder Parcel" means a Parcel that is created as a result of the recording of a Large Lot Parcel Map or Final Small Lot Subdivision Map, which results in a Parcel within the boundaries of a Large Lot Parcel (identified in **Attachment 1**) that has not been mapped for final development approval. Such a Remainder Parcel may contain taxable and tax-exempt uses, such as Residential Uses, and Public Parcels, such as park sites. Once designated as a Remainder Parcel, such Parcel will be considered a Large Lot Parcel for the purposes of future Subdivisions and for the provisions of **Sections 4** through **6**.

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

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

"Single-Family Parcel" means, in any Fiscal Year, all Parcels in the CFD for which a building permit was issued or may be issued for construction of a Unit that is a single-family residential, residential condominium, or townhouse Unit.

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

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

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

"Subdivision" or **"Subdivided"** means a division of a Parcel into two or more Parcels through the Subdivision Map Act process. A Subdivision also may include the merging of two or more Parcels to create new Parcels.

"Successor Parcel" means a Parcel created by the Subdivision of an Original Parcel or a Successor Parcel.

"Tax Category" means the categories of taxable land uses shown in **Attachments 1** and **2**.

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

"Tax Escalation Factor" means a factor not to exceed 4 percent, determined by the Administrator in any Fiscal Year following the Base Year by which the Maximum Annual Special Tax for the previous Fiscal Year will be increased to provide sufficient services for the current Fiscal Year.

"Taxable Acreage" means that area of a Parcel determined by the Administrator to become a Taxable Parcel or Parcels upon further Subdivision. An example might be that a Large Lot Parcel Map creates a Remainder Parcel that, according to **Attachment 1**, contains both taxable and tax-exempt uses, such as a park site.

"Taxable Parcel" means any Parcel that is not a Tax-Exempt Parcel.

"Tax-Exempt Parcel" means a Parcel not subject to the Special Tax. Tax-Exempt Parcels include (a) Public Parcels, (b) Parcels owned by the City, school districts, special districts, or the state or federal government, and (c) Very Low Affordable Housing. If a Taxable Parcel is acquired by a public agency, the Parcel shall remain a Taxable Parcel based on the provisions of **Section 4.g**.

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

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

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

"Very Low Income Affordable Housing" means homes developed to house residents whose incomes do not exceed 50-percent of the median income for the area, as defined by the United States Department of Housing and Urban Development (HUD). Parcels with such homes are tax-exempt under this CFD.

3. Duration of the Special Tax

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

If the Special Tax ceases to be levied, the City will direct the County Recorder to record a Notice of Cessation of Special Tax. Such notice will state that the obligation to pay the Special Tax has ceased and that the lien imposed by the Notice of Special Tax Lien is extinguished. The Notice of Cessation of Special Tax, in addition, will identify the book and page of the Book of Maps of Assessment and Community Facilities Districts where the map of the boundaries of the CFD is recorded.

4. Administrative Tasks

Tasks required of the Administrator are discussed below:

- a. **Annual Special Tax Escalation.** The Administrator shall increase the Maximum Annual Special Tax by the Tax Escalation Factor in each Fiscal Year following the Base Year.
- b. **Assignment of the Maximum Annual Special Tax to Original Parcels.** **Attachment 1** identifies the Assigned Maximum Annual Special Tax for each Original Parcel at CFD Formation, which is determined for each Large Lot Parcel based on the Expected Land Uses within each Large Lot Parcel at CFD Formation. The Assigned Maximum Annual Special Tax shall continue to

apply to the geographic area to which it was assigned. If, prior to further Subdivision, the Administrator determines there are multiple Assessor's Parcels within a Large Lot Parcel, the Administrator shall assign the Maximum Annual Special Tax to each Assessor's Parcel on a pro rata basis to all Assessor's Parcels within that Large Lot Parcel based on the percentage share of Taxable Acreage identified for each Assessor's Parcel. Similarly, if the Administrator determines there are multiple Large Lot Parcels within an Assessor's Parcel, the Maximum Annual Special Tax shall equal the sum of the Assigned Maximum Annual Special Tax for all Large Lot Parcels within that Assessor's Parcel.

- c. Assignment of the Maximum Annual Special Tax to Successor Parcels. As Original Parcels and Successor Parcels are Subdivided through creation of Final Small Lot Subdivision Maps, lot line adjustments or other Parcel amendments through the Subdivision Map Act process, use the following steps to assign the Maximum Annual Special Tax to new Successor Parcels. As a result of each assignment of the Maximum Annual Special Tax upon Subdivision of an Original Parcel or Successor Parcel, the sum of the Maximum Annual Special Taxes assigned to the newly created Taxable Parcels shall never be less, but may be greater, than the Assigned Maximum Annual Special Tax for that Original Parcel or Successor Parcel.

1. If an Original Parcel or Successor Parcel is Fully Subdivided into Single-Family Parcels with No Remainder Parcel(s). There shall be no net loss of Maximum CFD Special Tax Revenue as a result of the assignment of the Maximum Annual Special Tax to Single-Family Parcels. Use the following procedures to assign the Maximum Annual Special Tax to Single-Family Parcels:

- A. If the number of Single-Family Parcels is equal to or greater than the Expected Land Uses shown for the Large Lot Parcel in **Attachment 1**, assign the Maximum Annual Special Tax per Unit by Tax Category shown in **Attachment 1** to each Single-Family Parcel created by the Subdivision.
- B. If fewer Single-Family Parcels are created by the Subdivision and if **Attachment 1** shows that the Large Lot Parcel is not assigned any Affordable Units, divide the total amount of Maximum Annual Special Tax assigned to the Large Lot Parcel in **Attachment 1** by the total number of actual Single-Family Parcels created by the Final Small Lot Subdivision Map for such Large Lot Parcel. Assign this amount calculated per Unit to each Single-Family Parcel created by the Subdivision.

If fewer Single-Family Parcels are created by the Subdivision and if **Attachment 1** shows that the Large Lot Parcel is assigned Affordable Units, for each newly created Taxable Parcel within the Subdivision designated as an Affordable Unit, assign the Maximum Annual Special Tax Rate shown for the Affordable Units in **Attachment 1** to the newly created Taxable Parcels designated as Affordable Units. At formation of the CFD, only Large Lots Parcel Number 7 (CO-5), Number 3 (CO-21), Number 9 (CO-22), and Number 18 (CO-23) are assigned such Affordable Units. As a special note, Affordable Units on Large Lot Parcel Number 3 (CO-21) are not assigned any Maximum Annual Special Tax. For the remaining newly created Single-Family Parcels within the Subdivision that are not Affordable Units, subtract the Maximum Annual Special Tax Revenue from all the newly created Affordable Units from the Maximum Special Tax Revenue for the entire Large Lot Parcel being Subdivided and divide that resulting amount by the number of Single-Family Parcels that are not Affordable

Units; assign the amount so calculated per Unit to each Single-Family Parcel created by the Subdivision that is not an Affordable Unit.

2. If Original or Successor Parcel Is Subdivided into Single-Family Parcels and One or More Remainder Parcels. When an Original or Successor Parcel is Subdivided into Single-Family Parcels and one or more Large Lot Parcels (or Remainder Parcels), the Maximum Annual Special Tax is assigned to the Single-Family Parcels and Large Lot Parcels created by the Subdivision in the following manner:
 - A. Apportion the Maximum Annual Special Tax to the area(s) that is/are being Subdivided into Single-Family Parcels and to the area(s) that will be Remainder Parcel(s) on a pro rata basis, based on the percentage share of Taxable Acreage represented by each such area as compared to the total area of the Original or Successor Parcel.
 - B. For each area Subdivided into Single-Family Parcels, if the Subdivision produces the same number of Units or a greater number of Units as compared to the Expected Land Uses anticipated in **Attachment 1** for that portion of the Original or Successor Parcel, assign the Maximum Annual Special Tax Rate per Unit by Tax Category in **Attachment 1** for that portion of the Original or Successor Parcel being Subdivided into Single-Family Parcels.
 - C. For each area Subdivided into Single-Family Parcels, if fewer Single-Family Parcels are created by the Subdivision and if **Attachment 1** shows that the Original or Successor Parcel is not assigned any Affordable Units, divide the total amount of Maximum Annual Special Tax assigned to that portion of the Original or Successor Parcel in **Attachment 1** being Subdivided into Single-Family Parcels by the total number of actual Single-Family Parcels created by the Final Small Lot Subdivision Map within that portion of the Large Lot Parcel. Assign this amount calculated per Unit to each new Single-Family Parcel created by the Subdivision.
 - D. For each area Subdivided into Single-Family Parcels, if fewer Single-Family Parcels are created by the Subdivision and if **Attachment 1** shows that the Original or Successor Parcel is assigned Affordable Units, for each newly created Taxable Parcel within the Subdivision designated as an Affordable Unit, assign the Maximum Annual Special Tax Rate shown for the Affordable Units in **Attachment 1** to the newly created Taxable Parcels designated as Affordable Units. At formation of the CFD, only Large Lots Parcel Number 7 (CO-5), Number 3 (CO-21), Number 9 (CO-22), and Number 18 (CO-23) are assigned such Affordable Units. As a special note, Affordable Units on Large Lot Parcel Number 3 (CO-21) are not assigned any Maximum Annual Special Tax. For the remaining newly created Single-Family Parcels within the Subdivision that are not Affordable Units, subtract the Maximum Annual Special Tax Revenue from all the newly created Affordable Units from the Maximum Special Tax Revenue for that portion of the Original or Successor Parcel being Subdivided into Single-Family Parcels and divide that resulting amount by the number of Single-Family Parcels that are not Affordable Units; assign the amount so calculated per Unit to each Single-Family Parcel created by the Subdivision that is not an Affordable Unit.

- E. For the Remainder Parcel or Parcels, identify the Maximum Annual Special Tax for the entire Original or Successor Parcel that has been Subdivided. Sum the Maximum Annual Special Tax for all Single-Family Parcels created by the Subdivision, including Single-Family Parcels with Affordable Units. Subtract the sum of the Maximum Annual Special Tax for all Single-Family Parcels from the Maximum Annual Special Tax for the Original or Successor Parcel being subdivided and compare it to the Maximum Annual Special Tax assigned to the Remainder Parcel or Parcels in Step 4.c.2.A. Assign to each Remainder Parcel, the lesser of the calculations in this step or in Step 4.c.2.A, but in no event less than the difference between the previously Assigned Maximum Annual Special Tax for the Original Parcel or Successor Parcel being Subdivided and the total of the Maximum Annual Special Tax for all Single Family Parcels created by such Subdivision.

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

3. If Original or Successor Parcel are Subdivided creating multiple land use and Tax Categories:
- A. Identify the Maximum Annual Special Tax for the Original Parcel or Successor Parcel that is being Subdivided.
- B. For each Taxable Successor Parcel created by Subdivision multiply the Maximum Annual Special Tax per Unit or per Acre by the number of Units (Single Family Parcels and Multifamily Parcels excluding Large Lot Number 3 [CO-21]) or by the number of Acres (Large Lot Parcel Number 3 [Multifamily Parcel CO-21] or Nonresidential Parcels). For each Taxable Parcel created by Subdivision that includes Affordable Units, multiply the number of Affordable Units by the Tax per Unit for such Affordable Units, except for Large Lot Parcel Number 3 (CO-21), for which the Affordable Units are not assigned a Maximum Annual Special Tax.
- C. Sum the Maximum Annual Special Tax for each Taxable Successor Parcel and compare it to the Maximum Annual Special Tax of the Original or Successor Parcel that is being Subdivided. If the sum of Maximum Annual Special Tax for each Taxable Successor Parcel is greater than the Maximum Annual Special Tax for the Original Parcel, the Administrator shall apply the Maximum Annual Special Tax calculated above for each Taxable Successor Parcel.
- D. If the Maximum Annual Special Tax for the Original Parcel or Successor Parcel that is being subdivided is greater than the sum of Maximum Annual Special Tax for each Taxable Successor Parcel being created, increase proportionately the Maximum Annual Special Tax per Unit or Per Acre (excluding the Maximum Annual Special Tax for Affordable Units consistent with **Section 4.c.1.B**) on each Taxable Successor Parcel such that the sum of Maximum Annual Special Tax for all Taxable Successor Parcels equals the Maximum Annual Special Tax for the Original Parcel.
4. If an Original or Successor Parcel is Zoned, Rezoned and/or Subdivided into Light Industrial Uses and One or more Remainder Parcels. In the event that a Large Lot Map is recorded and/or any Taxable Parcels are zoned to light industrial use creating one or

more Taxable Parcels that are Light Industrial Uses and Remainder Parcels, there shall be no net loss of Maximum CFD Special Tax Revenue as a result of the assignment of the Maximum Annual Special Tax to Light Industrial Parcels and Remainder Parcels from such Subdivision. The Maximum Annual Special Tax shall be assigned to Light Industrial Parcels or Remainder Parcels using the greater of the following items:

- A. Multiply the Taxable Acreage for each Light Industrial Parcel and for each Remainder Parcel by the Maximum Special Tax per Acre for Light Industrial Uses from **Attachment 2**. Sum the Maximum Annual Special Tax from each new Light Industrial Parcel and each new Remainder Parcel and compare the sum to the Maximum Annual Special Tax from the Original Parcel(s) or Successor Parcel(s) being Subdivided. If the sum of Maximum Annual Special Tax for each new Light Industrial Parcel and new Remainder Parcel is greater than the Maximum Annual Special Tax for the Original Parcel(s) or Successor Parcel(s), the Administrator shall apply the Maximum Annual Special Tax as so calculated for each new Light Industrial Uses and Remainder Parcel. If the sum of Maximum Annual Special Taxes from all new Light Industrial Uses and Remainder Parcels is less than the Maximum Annual Special Tax from the Original Parcel(s) or Successor Parcel(s) being subdivided, assign the Maximum Annual Special Tax to each new Light Industrial Uses and Remainder Parcel as described below.
 - B. Sum the Maximum Annual Special Tax from all Original or Successor Parcels being Subdivided. Allocate this total Maximum Annual Special Tax to each new Light Industrial and Remainder Parcel created by the Subdivision on a pro rata basis to all such Light Industrial Parcels and Remainder Parcels based on the percentage share of Taxable Acreage identified for each Light Industrial Parcel and Remainder Parcel.
- d. Affordable Units that Become Market-Rate Units. If, in any Fiscal Year, the City Manager, or his or her designee, determines that a Unit that previously had been designated as an Affordable Unit no longer qualifies as such, the Affordable Housing Director shall update the Affordable Unit listing by denoting the change in status of the Unit, together with the effective date thereof. For all Affordable Units that are converted to Market-Rate Units, such Units shall be assigned the Maximum Annual Special Tax per Unit based on their Tax Category as shown in **Attachment 1**, as adjusted by the Tax Escalation Factor.
- e. Transfer of the Assigned Maximum Annual Special Tax from One Large Lot to Another. The Maximum Annual Special Taxes shown in **Attachment 1** were determined based on the Expected Land Uses for each Large Lot Parcel shown in **Attachment 1**. If the number of planned residential Units or nonresidential Acreage is transferred from one Large Lot Parcel to another before recording of a Final Small Lot Subdivision Map in any portion of the Large Lot Parcel, the City may, in its sole discretion, allow for a transfer of the Maximum Annual Special Tax from one Large Lot Parcel to another. Such a transfer shall be allowed only if (1) all adjustments are agreed to in writing by the affected property owners and the Finance Director, and (2) there is no reduction in the Maximum Annual CFD Special Tax Revenues as a result of the transfer. Should a transfer result in an amendment to **Attachment 1** of the Notice of Special Tax Lien, the requesting property owner shall bear the costs to effect the transfer in the CFD records and prepare the required amendments to the Notice of Special Tax Lien and **Attachment 1**. Before the transfer, the City may require a deposit from the

requesting property owner for such costs. If such a transfer is requested and approved by the Finance Director, the Administrator may apply the following steps to redistribute the Maximum Special Tax among the Parcels:

- Step 4.e.1. Determine the Maximum Annual Special Tax associated with the land uses that will be transferred by multiplying the number of residential Units or nonresidential Acreage by the Maximum Annual Special Tax Rate per Unit identified for the Units or Acreage in **Attachment 1** (escalated by the Tax Escalation Factor to the then-current Fiscal Year).
 - Step 4.e.2. Subtract the amount determined in *Step 4.e.1.* from the Maximum Annual Special Tax for the Large Lot Parcel from which the Units or Acreage will be transferred to determine the new Maximum Annual Special Tax for the Large Lot Parcel.
 - Step 4.e.3. Add the amount determined in *Step 4.e.1.* to the Maximum Annual Special Tax for the Large Lot Parcel to which the Units or Acreage is being transferred to determine the new Maximum Annual Special Tax for the Large Lot Parcel.
- f. Conversion of a Tax-Exempt Parcel to a Taxable Parcel. If a Tax-Exempt Parcel is not needed for public use and is transferred to a private owner, it shall become subject to the Special Tax. The Maximum Annual Special Tax for the newly assigned Tax Category for such a Parcel is determined using the provisions of **Sections 4 and 5.**
 - g. Taxable Parcels Acquired by a Public Agency A Taxable Parcel acquired by a public agency shall be reclassified as a Tax-Exempt Parcels and is no longer subject to the Special Tax levy.

5. Assignment of the Maximum Annual Special Tax

- a. Classification of Parcels. For purposes of the next Fiscal Year tax levy, by June 30 of each Fiscal Year, using the Definitions in **Section 2**, the Parcel records of the Assessor's secured tax roll as of January 1, and other City development approval records, the Administrator shall cause:
 1. Each Parcel to be classified as a Taxable Parcel or Tax-Exempt Parcel.
 2. Each Parcel to be classified as a Developed Parcel, a Small Lot Tentative Map Parcel, a Large Lot Parcel (including Remainder Parcels), or an Undeveloped Parcel.
- b. Assignment of the Maximum Annual Special Tax to Taxable Parcels. The Maximum Annual Special Tax will be assigned to each Taxable Parcel each Fiscal Year using the procedures (not all steps may be applicable for each such Parcel) in **Section 4.**

6. Calculating Annual Special Taxes

The Administrator will compute the Annual Costs and determine the annual Special Tax levy for each Taxable Parcel based on the assignment of the Special Tax in **Sections 4 and 5.** The Administrator then will determine the tax levy for each Taxable Parcel using the following process:

- a. Compute the Annual Costs using the definition of Annual Costs in **Section 2.**

- b. For all Taxable Parcels, calculate the Special Tax levy for each using the following steps:
- Step 1: Compute 100 percent of the Maximum Annual Special Tax Revenue for all Developed Parcels.
 - Step 2: Compare the Annual Costs with the amount calculated in the previous step.
 - Step 3: If the Annual Costs are lower than the amount calculated in Step 1, decrease proportionately the Maximum Annual Special Tax levy for each Developed Parcel until the revenue from the Special Tax levy equals the Annual Costs.
 - Step 4: If the Annual Costs are greater than the amount calculated in Step 1, increase proportionately the Maximum Annual Special Tax levy for each Final Use Small Lot Parcel until the revenue from the Special Tax levy equals the Annual Costs, or 100 percent of the Maximum Annual Special Tax for all Final Use Small Lot Parcels, if needed to fund Annual Costs.
 - Step 5: If the Annual Costs are greater than the amount calculated in Step 1 and Step 4, increase proportionately the Maximum Annual Special Tax levy for each Small Lot Tentative Map Parcel until the revenue from the Special Tax levy equals the Annual Costs, or 100 percent of the Maximum Annual Special Tax for all Small Lot Tentative Map Parcels, if needed to fund Annual Costs.
 - Step 6: If the Annual Costs are greater than the amount calculated in Step 1, Step 4, and Step 5, increase proportionately the Maximum Annual Special Tax levy for each Large Lot Parcel until the revenue from the Special Tax levy equals the Annual Costs, or 100 percent of the Maximum Annual Special Tax for all Large Lot Parcels, if needed to fund Annual Costs.
 - Step 7: If the Annual Costs are greater than the amount calculated in Step 1, Step 4, Step 5, and Step 6, increase proportionately the Maximum Annual Special Tax levy for each Undeveloped Parcel until the revenue from the Special Tax levy equals the Annual Costs, or 100 percent of the Maximum Annual Special Tax for all Undeveloped Parcels, if needed to fund Annual Costs.
- c. Levy on each Taxable Parcel the amount calculated above.
- d. Prepare the Tax Collection Schedule and, unless an alternative method of collection has been selected pursuant to **Section 8**, send it to the County Auditor requesting that it be placed on the general, secured property tax roll for the Fiscal Year. The Tax Collection Schedule will not be sent later than the date required by the County Auditor for such inclusion.

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

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

Any taxpayer who feels the amount of the Special Tax assigned to a Parcel is in error may file a notice with the Finance Director appealing the levy of the Special Tax. The Finance Director then

will promptly review the appeal and, if necessary, will meet with the applicant. If the Finance Director verifies that the tax should be modified or changed, the Special Tax levy will be corrected and, if applicable in any case, a credit or refund will be granted.

Interpretations may be made by the City, without Resolution or Ordinance of the Council, for purposes of clarifying any vagueness or ambiguity as it relates to the Special Tax rate, the method of apportionment, the classification of properties, or any definition applicable to the CFD.

Without Council approval, the Finance Director may make minor, non-substantive administrative and technical changes to the provisions of this RMA that do not materially affect the rate, method of apportionment, or manner of collection of the Special Tax for purposes of administrative efficiency or convenience or to comply with new applicable federal, state, or local law.

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

8. Manner of Collection

The Special Tax will be collected in the same manner and at the same time as ad valorem property taxes, provided, however, the Administrator or its designee may directly bill the Special Tax and may collect the Special Tax at a different time, such as on a monthly or other periodic basis, or in a different manner, if necessary, to meet the City's financial obligations.

Attachment 1
 HP Campus Oaks CFD No. 2 (Public Services)
 Maximum Annual Special Tax in the Base Year [1]

Large Lot Number	Specific Plan Lot Designation	Assessor's Parcel Number	Tax Category	Acres	No. of Units	Maximum Annual Special Tax Rate per Unit [2]	Unit of Measure	Maximum Annual Special Tax per Large Lot [2]
1	CO-31	017-231-016	BP	5.45	n/a	\$2,590	per Acre	\$14,116
2	CO-41	017-231-017	CC	13.16	n/a	\$1,560	per Acre	\$20,530
3	CO-21	017-231-018	HDR	4.94	87	\$177	per Unit	\$15,399
3	CO-21	017-231-018	HDR/Aff Very Low		38	\$0	per Unit	\$0
Lot 3 Subtotals				4.94	125			\$15,399
4	CO-42	017-231-019	CC	6.20	n/a	\$1,560	per Acre	\$9,672
5	CO-51	017-231-020	T/BP-LI	15.20	n/a	\$547	per Acre	\$8,314
6	CO-75	017-231-021	P/QP	2.20	0		Tax-Exempt	\$0
7	CO-5	017-231-022	MDR	4.66	27	\$352	per Unit	\$9,504
7	CO-5	017-231-022	MDR/Affordable		19	\$177	per Unit	\$3,363
Lot 7 Subtotals				4.66	46			\$12,867
8	CO-4	017-231-023	MDR	8.37	84	\$352	per Unit	\$29,568
9	CO-22	017-231-024	HDR	7.19	95	\$177	per Unit	\$16,815
9	CO-22	017-231-024	HDR/Aff Low		24	\$0	per Unit	\$0
Lot 9 Subtotals				7.19	119			\$16,815
10	CO-15	017-231-025	MDR	2.51	19	\$352	per Unit	\$6,688
11	CO-52	017-231-026	T/BP-LI	17.64	n/a	\$547	per Acre	\$9,649
12	CO-13	017-231-027	MDR	3.40	24	\$352	per Unit	\$8,448
13	CO-14	017-231-028	MDR	4.42	50	\$352	per Unit	\$17,600
14	CO-7	017-231-029	LDR	9.78	58	\$352	per Unit	\$20,416
15	CO-11	017-231-030	MDR	4.72	34	\$352	per Unit	\$11,968
16	CO-12	017-231-031	MDR	4.89	34	\$352	per Unit	\$11,968
17	CO-16	017-231-032	MDR	2.65	19	\$352	per Unit	\$6,688
18	CO-23	017-231-033	HDR	4.93	58	\$177	per Unit	\$10,266
18	CO-23	017-231-033	HDR/Aff Low		14	\$0	per Unit	\$0
Lot 18 Subtotals				4.93	72			\$10,266
19	CO-6	017-231-034	LDR	8.14	48	\$352	per Unit	\$16,896
20	CO-1	017-231-035	LDR	6.10	36	\$352	per Unit	\$12,672
21	CO-24a	017-231-036	HDR	2.35	40	\$177	per Unit	\$7,080
22	CO-24b	017-231-037	HDR	2.35	40	\$177	per Unit	\$7,080
23	CO-3	017-231-038	LDR	16.58	64	\$352	per Unit	\$22,528
24	CO-76	017-231-039	P/QP	0.32	n/a		Tax-Exempt	\$0
25	CO-2	017-231-040	LDR	6.21	36	\$352	per Unit	\$12,672
C	CO-62	017-231-041	Tax-Exempt	5.70	n/a		Tax-Exempt	Tax-Exempt
B	CO-63	017-231-042	Tax-Exempt	0.90	n/a		Tax-Exempt	Tax-Exempt
A	CO-61	017-231-043	Tax-Exempt	2.20	n/a		Tax-Exempt	Tax-Exempt
D	CO-81	017-231-044	Tax-Exempt	0.84	n/a		Tax-Exempt	Tax-Exempt
E	CO-82	017-231-045	Tax-Exempt	0.86	n/a		Tax-Exempt	Tax-Exempt
F	CO-65	017-231-046	Tax-Exempt	1.30	n/a		Tax-Exempt	Tax-Exempt
G	CO-64	017-231-047	Tax-Exempt	2.40	n/a		Tax-Exempt	Tax-Exempt
Totals				197.88	948			\$309,900

"att1"

[1] FY 2016-17 is the Base Year
 [2] Increases in each Fiscal Year following the Base Year by the Tax Escalation Factor.

**Attachment 2
 HP Campus Oaks CFD No. 2 (Public Services)
 Maximum Annual Special Tax per Tax Category - Base Year [1]**

Tax Category	Maximum Annual Special Tax per Unit or Per Acre [2]	Unit of Measure	Original Parcel/ Large Lot Parcel Numbers	Original Assessor's Parcel Numbers
LDR	\$352.00	Per Unit	(20, 25, 23, 19, 14)	017-231-035, 017-231-040, 017-231-038, 017-231-034, 017-231-029
MDR	\$352.00	Per Unit	(7 - portion, 8, 15, 16, 12, 10, 17)	017-231-030, 017-231-031, 017-231-027, 017-231-025, 017-231-032 017-231-022 (portion), 017-231-023
MDR (Affordable)	\$177.00	Per Unit	(7 - portion)	017-231-022 (portion)
HDR	\$177.00	Per Unit	(3 - portion, 9 - portion, 18 - portion, 21, 22)	017-231-018 (portion), 017-231-024 (portion), 017-231-033 (portion) 017-231-036, 017-231-037
HDR Affordable Low	\$0.00	Per Unit	(9 - portion, 18 - portion)	017-231-024 (portion), 017-231-033 (portion)
HDR Affordable Very Low	\$0.00	Per Unit	(3 - portion)	017-231-018 (portion)
BP	\$2,590.00	Per Acre	(1)	017-231-016
CC	\$1,560.00	Per Acre	(2, 4)	017-231-017, 017-231-019
T/BP-LI	\$547.00	Per Acre	(5, 11)	017-231-020, 017-231-026

all2

[1] FY 2016-17 is the Base Year
 [2] Increases in each Fiscal Year following the Base Year by the Tax Escalation Factor.