



RESOLUTION NO. 177-2015

OF THE BOARD OF SUPERVISORS OF THE COUNTY OF EL DORADO A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF EL DORADO OF FORMATION OF COMMUNITY FACILITIES DISTRICT NO. 2015-1 (EAST RIDGE)

WHEREAS, on September 15, 2015, this Board adopted a resolution entitled "A Resolution of Intention of the Board of Supervisors of the County of El Dorado to Form a Community Facilities District and Levy a Special Tax in Community Facilities District No. 2015-1 (East Ridge) To Finance the Acquisition and Construction of Certain Public Facilities In And For Such Community Facilities District" (the "Resolution of Intention"), stating its intention to form Community Facilities District No. 2015-1 (East Ridge) (the "CFD") of the County pursuant to the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing with Section 53311, of the California Government Code (the "Act");

WHEREAS, the Resolution of Intention, incorporating a map of the proposed boundaries of the CFD and stating the facilities to be provided, the intention to issue bonds to finance the cost of providing such facilities, and the rate and method of apportionment of the special tax to be levied within the CFD to pay the principal and interest on bonds proposed to be issued with respect to the CFD and incidental expenses of the CFD, is on file with the Clerk of the Board and the provisions thereof are incorporated herein by this reference as if fully set forth herein;

WHEREAS, on this date, this Board 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 facilities to be provided therein and the levy of said special tax were heard and a full and fair hearing was held;

WHEREAS, at the hearing evidence was presented to this Board on said matters before it, including a report caused to be prepared by the Auditor-Controller (the "Report") as to the facilities to be provided through the CFD and the estimated costs thereof, a copy of which is on file with the Clerk of the Board, and this Board at the conclusion of said hearing is fully advised in the premises;

WHEREAS, written protests with respect to the formation of the CFD, the furnishing of specified types of facilities and the rate and method of apportionment of the special taxes have not been filed with the Clerk of the Board by fifty percent (50%) or more of the registered voters residing within the territory of the CFD or property owners of one-half (1/2) or more of the area of land within the CFD and not exempt from the proposed special tax;

WHEREAS, the special tax proposed to be levied in the CFD to pay for the facilities has not been eliminated by protest by fifty percent (50%) or more of the registered voters residing within the territory of the CFD or the owners of one-half (1/2) or more of the area of land within the CFD and not exempt from the special tax.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. **Recitals Correct.** The foregoing recitals are true and correct.

2. **No Majority Protest.** The proposed establishment of the CFD and 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 Board 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 CFD.** The community facilities district designated "County of El Dorado Community Facilities District No. 2015-1 (East Ridge)" 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 El Dorado County Recorder's Office on October 2, 2015 as Document Number 2015-46190 are hereby approved, are incorporated herein by reference and shall be the boundaries of the CFD.

6. **Description of Facilities.** The type of public facilities proposed to be financed by the CFD and pursuant to the Act shall consist of those items set forth, including impact fees to pay for facilities, in Exhibit A hereto and by this reference incorporated herein (the "Facilities").

7. **Special Tax.**

a. Except to the extent that funds are otherwise available to the CFD to pay for the Facilities and incidental expenses of the CFD, a special tax (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 Board.

b. The proposed rate and method of apportionment of the Special Tax among the parcels of real property within the CFD, 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 the Rate and Method of Apportionment for the CFD attached hereto as Exhibit B and by this reference incorporated herein (the "Rate and Method").

c. The Special Tax shall be levied and collected as set forth in the Rate and Method commencing with fiscal year 2015-16. In the case of any Special Tax to pay for the Facilities and to be levied against any parcel used for private residential purposes: (i) the maximum special tax shall be specified as a dollar amount which shall be calculated and thereby established not later than the date on which the parcel is first subject to the tax because of its use for private residential purposes and which amount shall not be increased over time over 2% per year; (ii) the tax year after which no further Special Tax subject to this sentence shall be levied or collected shall be fiscal year 2055-56, except that a Special Tax that was lawfully levied in or before the final tax year and that remains delinquent may be collected in subsequent years; and (iii) under no circumstances will the Special Tax levied against any parcel subject to this sentence be increased as a consequence of delinquency or default by the owner of any other parcel within the CFD by more than 10%. For the purposes hereof, a parcel is used for "private residential purposes" not later than the date on which an occupancy permit for private residential use is issued.

8. **Increased Demands.** It is hereby found and determined that the Facilities are necessary to meet increased demands placed upon local agencies as the result of development occurring in the CFD.

9. **Responsible Official.** The Auditor-Controller of the County of El Dorado, 360 Fair Lane, Placerville, CA 95667, is the officer of the County who will be responsible for preparing annually a current roll

of special tax levy obligations by assessor's parcel number and who will be responsible for estimating future special tax levies pursuant to the Act.

10. **Tax Lien.** Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the Streets and Highways Code of California, 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 tax by the County 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 \$40 million, and said appropriations limit shall be submitted to the voters of the CFD as hereafter provided. The proposition establishing said 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.

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 the election shall be as specified by a separate resolution of this Board.

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

NOW, THEREFORE, BE IT RESOLVED

PASSED AND ADOPTED by the Board of Supervisors of the County of El Dorado at a regular meeting of said Board, held the 20th day of October, 2015, by the following vote of said Board:

Attest:

James S. Mitrison
Clerk of the Board of Supervisors

By: [Signature]

Deputy Clerk

Ayes: Frentzen, Ranalli, Novasel, Mikulaco, Veerkamp

Noes: None

Absent: None

[Signature]

Chair, Board of Supervisors

Brian K. Veerkamp

Attachments: Exhibit A – List of Facilities
Exhibit B – Rate and Method of Apportionment of Special Tax

EXHIBIT A

County of El Dorado Community Facilities
District No. 2015-01 (East Ridge)

LIST OF AUTHORIZED FACILITIES

Authorized facilities that may be funded through East Ridge Community Facilities District No. 2015-01 (East Ridge) include the following public improvements:

Transportation Improvements

Eligible roadway improvements include, but are not limited to: acquisition of land and/or easements; roadway design; project management; bridge crossings and culverts; clearing, grubbing, and demolition; grading, soil import/export, paving (including slurry seal, aggregate base), and decorative/enhanced pavement concrete and/or pavers; joint trenches, underground utilities and undergrounding of existing utilities; dry utilities and appurtenances; curbs, gutters, sidewalks, bike trails (including onsite and off-site), enhanced fencing, and access ramps; street lights, signalization, and traffic signal control systems; bus turnouts; signs and striping; erosion control; storm water pollution prevention program, median and parkway landscaping and irrigation; entry monumentation; bus shelters, masonry walls; traffic control and agency fees; and other improvements related thereto. Eligible improvements for the roads listed above also include any and all necessary underground potable and recycled water, sanitary sewer, and storm drainage system improvements. Engineering and construction staking, inspection and testing, construction management, or as outlined in Other Expenses.

Authorized facilities include the following transportation improvements:

- Valley View Parkway

Water System Improvements

Authorized facilities include any and all water facilities designed to meet the needs of development within CFD No. 2015-01. These facilities include, but may not be limited to: hydro-prevention booster facilities, acquisition of land and/or easements, water storage, treatment and distribution facilities including waterlines and appurtenances, gate valves, pressure reducing stations, flow meters, fire hydrants, and other improvements related thereto such as site clearing, grading and paving; curbs and gutters; booster pump stations; stand-by generators; site lighting, drainage, sanitary sewer, and water service; landscaping and irrigation; access roads, access gates, and fencing; and striping and signage.

Drainage System Improvements

Authorized facilities include any and all drainage and storm drain improvements designed to meet the needs of development within CFD No. 2015-01. These facilities include, but may not be limited to: excavation and grading, pipelines and appurtenances, outfalls and water quality measures, detention/retention basins, drainage pretreatment facilities, pipes, inlets, under drains, manholes, outfalls, inlet and outlet protection, drainage ways/channels, pump stations, landscaping and irrigation; access roads, gates, and fencing; and striping and signage and other improvements related thereto.

Wastewater System Improvements

Authorized facilities include any and all wastewater facilities designed to meet the needs of development within CFD No. 2015-01. These facilities include, but may not be limited to sewer pipelines and all appurtenances thereto; sewer manholes; tie-in to existing main line; force mains; fittings; service connections; television camera inspections; lift stations; odor-control facilities; and permitting related thereto; and related sewer system improvements.

Park, Parkway and Open Space Improvements

Authorized facilities include any and all improvements to parks, parkways and open space required for development within CFD No. 2015-01. These facilities include, but may not be limited to: grading, turf, shrubs and trees, landscaping irrigation, site lighting, drainage, sanitary sewer and water service, pedestrian and bicycle trails, protective fencing (including soundwalls), pedestrian/bicycle bridges, storm drain crossings, wetland mitigation, access roads, access gates and fencing and related open space improvements. Authorized facilities include acquisition of any and all parkland as well as open space/bike trail/public access easements, acquisition of land for roads and/or easements required for development within East Ridge CFD No. 2015-01.

Development Impact Fees and Other Fees

CFD No. 2015-01 is authorized to fund the payment of development impact fees of the County and other public agencies, including:

- Water Hook Up Fees
- Sanitary Sewer Hook Up Fees
- Park Fees
- Road Impact Fees
- School Fees

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, remediation and mitigation); engineering and surveying; construction staking; utility relocation and demolition costs incidental to the construction of the public facilities; costs of project/construction management; costs (including the costs of legal services) associated with the formation of the Mello-Roos CFD; issuance of bonds (if any); determination of the amount of taxes; collection of taxes; payment of taxes; costs of calculating and providing reimbursements from one-time special tax payments; or costs otherwise incurred in order to carry out the authorized purposes of the CFD; and any other expenses incidental to the formation and implementation of the CFD and to the construction, completion, inspection and acquisition of the authorized facilities.

EXHIBIT B

Community Facilities District No. 2015-01 (East Ridge) El Dorado County, California

RATE AND METHOD OF APPORTIONMENT

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 County of El Dorado (County) Community Facilities District No. 2015-01 (East Ridge) (CFD) shall be levied and collected according to the tax liability determined by the County through the application of the appropriate amount or rate, as described below.

2. Definitions

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

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

"Administrative Expenses" means the actual or reasonably estimated costs related to the administration of the CFD, including these:

- a. Costs of computing Special Taxes and preparing annual Special Taxes collection schedules (whether by the County or any designee thereof or both).
- b. Costs of collecting the Special Taxes (whether by the County, or otherwise).
- c. Costs of remitting the Special Taxes to the Trustee.
- d. Costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Bond Indenture.
- e. Costs to the County, CFD, or any designee thereof of complying with arbitrage rebate requirements.
- f. Costs to the County, CFD, or any designee thereof of complying with County, CFD, or obligated persons disclosure requirements.
- g. Costs associated with preparing Special Taxes disclosure statements.
- h. Costs incurred in responding to public inquiries regarding the Special Taxes.
- i. Costs to the County, CFD, or designee thereof related to any appeal of the Special Taxes.

- j. Costs associated with the release of funds from an escrow account, if any.
- k. Costs to the County for the issuance of Bonds authorized by the CFD that are not recovered through the Bond sale proceeds.
- l. Amounts estimated to be advanced or advanced by the County for any other administrative purposes, including attorney's fees and other costs related to collection of the special taxes and commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

"Administrator" means an official of the County, or designee thereof, responsible for carrying out the provisions of this RMA.

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

- a. Debt Service to be paid from Special Taxes.
- b. The amount needed to replenish the Reserve Fund for the Bonds to the level required under the Bond Indenture, to the extent not included in a computation of Annual Costs in a previous Fiscal Year.
- c. Administrative Expenses for such Fiscal Year.
- d. The amount needed to (1) cure any delinquencies in the payment of principal or interest on Bonds which have occurred in the prior Fiscal Year, (2) to fund any foreseeable deficiency of the amount to be available for the payment of principal or interest on Bonds which is expected to occur in such Fiscal Year.
- e. Authorized Facilities Funded on a Pay-As-You-Go Basis.
- f. Less any Capitalized Interest.
- g. Less any available earnings on the Reserve Fund, Special Tax funds, or any other available revenues of the CFD or the County that may be used to fund Annual Costs.

"Anticipated Construction Proceeds" means that amount that is anticipated to be available through the CFD for acquiring or constructing Authorized Facilities. Anticipated Construction Proceeds is equal to \$40 million at formation of the CFD. Anticipated Construction Proceeds amount is increased by ENR-CCI by the average increase in the index for the prior calendar year on April 1 of the current 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.

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

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

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

"Board" means the Board of Supervisors of the County acting for the CFD under the Act.

"Bond(s)" means bond(s) issued or other indebtedness incurred by the County for the CFD under the Act.

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

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

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

"CFD" means the County of El Dorado Community Facilities District No. 2015-01 (East Ridge).

"Capitalized Interest" means funds in any capitalized interest fund available to pay debt service on Bonds.

"County" means the County of El Dorado, California.

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

"Debt Service" means the total amount of Bond principal, interest, and the scheduled sinking fund payments of the Bonds.

"Designated Developed Parcel" means a Taxable Parcel that has been designated as a Developed Parcel under the terms of the RMA. In any Fiscal Year, a Developed Parcel shall also include any Parcel for which a written request has been submitted to the County prior to May 1 of the preceding Fiscal Year by the record owner of the Parcel requesting that the Parcel be designated as a Developed Parcel beginning in the following Fiscal Year even though a Building Permit has not yet been issued for construction on that Parcel.

"Developed Parcel" means, in any Fiscal Year:

- For Final Map Parcels: All Parcels for which a Building Permit during or prior to May 1 of the preceding Fiscal Year for new construction of a Residential Use structure was issued during or prior to the preceding Fiscal Year.
- For all Designated Developed Parcels. All Parcels for which a written request from the record owner has been received by the County designating a Taxable Parcel as a Developed Parcel.

Once a Taxable Parcel has been designated as a Developed Parcel it shall remain classified as a Developed Parcel.

"Development Plan" means a Residential Use development plan that identifies such information as the acreage, square footage or number of Units that are approved to be developed on a Final Map Parcel.

"Final Map Parcel" means a Parcel designated for development as a single-family residence, which is part of a Final Small Lot Subdivision Map. Once a Parcel is classified as a Final Map Parcel it shall remain a Final Map Parcel.

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

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

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

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

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

"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 Maximum Annual Special Tax Rate per Unit or 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 in a given Fiscal Year.

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

"Original Parcel" means a Taxable Parcel identified in Attachment 1 and shown on Map 1 at formation of the CFD.

"Outstanding Bonds" means the total principal amount of Bonds that have been issued and not fully repaid or legally defeased.

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

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

"Pay-As-You-Go Basis" means the use of annual Special Tax revenues to directly fund the construction or improvement of Authorized Facilities. Pay-As-You-Go Expenditures may be used through Fiscal Year 2035-36, or until all Authorized Facilities have been constructed or acquired.

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

"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 drainage ways, landscaping, wetlands, greenbelts, and open space.

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

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

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

"Reserve Fund" means any debt service reserve fund established pursuant to the Bond Indenture.

"Reserve Fund Requirement" means the amount required under the Bond Indenture to be held in any Reserve Fund.

"Reserve Fund Share" means the amount on deposit in any Reserve Fund, but in any event not to exceed the Reserve Fund Requirement, multiplied by the Benefit Share for a given Parcel.

"Residential Use" means a Parcel designated for residential uses.

"RMA" means the Rate and Method of Apportionment.

"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.

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

"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 County, school districts, special districts, or

the state or federal government, and (c) Tract A shown on **Map 1**. A Taxable Parcel that is acquired by a public agency shall remain a Taxable Parcel as per 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 homeowner's associations or property owner associations, wetlands, detention basins, water quality ponds, and open space, as determined by the Administrator.

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

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

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

"Unit" means for Taxable Parcel, a dwelling unit, or a Final Map Parcel.

3. Duration of the Special Tax

The Special Tax will be levied and collected for as long as it is needed to pay Annual Costs; however, in no event shall the Special Tax be levied on any Parcel in the CFD after Fiscal Year 2055-2056.

When all Authorized Facilities and other Annual Costs incurred by the CFD have been paid, the Special Taxes shall cease to be levied. The County shall direct the County Recorder to record a Notice of Cessation of Special Tax. Such notice will state that the obligation to pay the Special Tax has ceased and that the lien imposed by the Notice of Special Tax Lien is extinguished. In addition, the Notice of Cessation of Special Tax shall identify the book and page of the Book of Maps of Assessment and Community Facilities Districts where the map of the boundaries of the CFD is recorded.

4. Administrative Tasks

Tasks required of the Administrator are discussed below:

- a. Annual Special Tax Escalation. The Administrator shall increase the Maximum Annual Special Tax by the Tax Escalation Factor in each Fiscal Year following the Base Year.
- b. Assignment of the Maximum Annual Special Tax to Original Parcels. The Maximum Annual Special Tax is assigned to Original Parcels on a Maximum Annual Special Tax per Unit basis by Parcel. The Base Year Maximum Annual Special Tax for the Base Year for each of the three Original Parcels is shown in **Attachment 1**. **Attachment 1** shows each Original Parcel, Tax Category, total Units, the Maximum Annual Special Tax Rate per Unit, and the Maximum Annual Special Tax for the three Original Parcels. **Map 1** shows the Original Parcels. The Maximum Annual Special Tax for an Original Parcel is determined by summing the Maximum Annual Special Tax for each Tax Category as shown for the Original Parcel in question in **Attachment 1**. The Maximum Annual Special Tax for each Tax Category is determined by multiplying the number of Units assigned to each Tax Category by the

Maximum Annual Special Tax per Unit (as increased by the Tax Escalation Factor) for each Tax Category.

- c. Assignment of the Maximum Annual Special Tax to Successor Parcels. As Original Parcels and Successor Parcels are Subdivided, use the following steps to assign the Maximum Annual Special Tax to new Successor Parcels:

- i. If Original or Successor Parcels are Subdivided Into Large Lot Parcels :

- A. The proposed Large Lot Parcels for the CFD are shown in **Map 2**. The corresponding Maximum Annual Special Taxes for the Base Year for each proposed Large Lot Parcel and Tax Category are shown in **Attachment 2**. If a Large Lot Subdivision Map is recorded that reflects the boundaries of all Large Lot Parcels shown in **Map 2**, assign the Maximum Annual Special Tax shown in **Attachment 2** to each Large Lot Parcel created by the Large Lot Subdivision Map.

If the Large Lot Parcels created by the Large Lot Subdivision Map have boundaries that differ from the boundaries shown in **Map 2**, use the following procedures to assign the Maximum Annual Special Tax to Large Lot Parcels created by the Large Lot Subdivision Map:

1. All Large Lot Parcels are created but differ in shape and size from **Map 2**. **Map 2** and **Attachment 2** shall be updated and the correct boundaries of each Large Lot Parcel shall be reflected in **Map 2** and **Attachment 2**. If, at the same time changes are being made to **Attachment 2**, it is determined that the number of Final Map Parcels (or Units) in a Large Lot Parcel has changed, the Maximum Annual Special Tax for the Base Year for each Large Lot Parcel in **Attachment 1** may, in the County's sole discretion, also be changed, as long as the Maximum CFD Special Tax Revenues are not reduced. If the County determines that such an adjustment is needed, the adjustment shall be effective immediately after recordation of the Large Lot Subdivision Map, after which time the Maximum Annual Special Tax for each Large Lot Parcel shall be fixed for all future Fiscal Years, except as otherwise provided in **Sections 4** and **5** below. After **Attachment 2** has been updated, the Administrator shall record, or cause to be recorded, an amended Notice of Special Tax Lien that includes the revised attachments.
2. Some Large Lot Parcels are created by a Large Lot Subdivision Map with a Remainder Parcel or Parcels. If the recorded Large Lot Parcels reflect the boundaries of the corresponding Large Lot Parcels shown in **Map 2**, assign the Maximum Annual Special Tax (as increased by the Tax Escalation Factor) shown in **Attachment 2** to each Large Lot Parcel created by the Large Lot Subdivision Map.
 - a. If one or more Remainder Parcels is created by the recordation of the Large Lot Subdivision Map, assign the Maximum Annual Special Tax (as increased by the Tax Escalation Factor) to all Large Lot Parcels created using the procedures in **Section 4.c.i.A.1** above. Identify the Acreage of the Remainder Parcel. Multiply the Acreage times the Maximum Annual Special

B. If the Maximum Annual Special Tax determined in **Section 4.c.iii.A** is less than the Maximum Annual Special Tax shown for the Large Lot Parcel in **Attachment 2**, proportionally increase the Maximum Annual Special Tax per Unit for each Tax Category as shown in **Attachment 2** (as increased by the Tax Escalation Factor) assigned to the Large Lot Parcel until the Maximum Annual Special Tax Revenue for all Final Map Parcels is equal to the Maximum Annual Special Tax determined in **Section 4.c.iii.A**.

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

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

- d. Assignment of the Maximum Annual Special Tax to Undeveloped Parcels. The Maximum Annual Special Tax is assigned to Undeveloped Parcels by multiplying the Acreage for the Undeveloped Parcels times the Maximum Annual Special Tax per Acre (as increased by the Tax Escalation Factor) for Undeveloped Parcels shown in **Attachment 1**.
- e. Transfer of the Assigned Maximum Special Tax from One Large Lot to Another. The Maximum Annual Special Taxes shown in **Attachment 2** were determined based on the expected land uses for each Large Lot Parcel shown in **Map 2**. If the number of planned residential units or nonresidential acreage is transferred from one Large Lot Parcel to another before recordation of a Final Small Lot Subdivision Map in any portion of the Large Lot Parcel, the County 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 Administrator, and (2) there is no reduction in the Maximum CFD Special Tax Revenues as a result of the transfer. Should a transfer result in an amendment to **Attachment 2** of the Notice of Special Tax Lien, the requesting property owner shall bear the costs to effect the transfer in the CFD records and prepare the required amendments to the Notice of Special Tax Lien and **Attachment 2**. The Administrator shall apply the following steps to redistribute the Maximum Annual Special Tax among the Parcels:

Step 4.d.1: Determine the Maximum Annual Special Tax associated with the Tax Categories that will be transferred by multiplying the number of residential Units by the Maximum Annual Special Tax Rate per Unit identified for the Units in **Attachment 2** (escalated by the Tax Escalation Factor to the then-current Fiscal Year).

Step 4.d.2: Subtract the amount determined in *Step 4.d.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.d.3: Add the amount determined in *Step 4.d.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 converted to a taxable use or transferred to a private owner, it shall become subject to the Special Tax. The Maximum Annual Special Tax for the newly assigned Tax Category for such a Parcel is determined using the provisions of **Sections 4** and **5** of the RMA.
- g. Taxable Parcels Acquired by a Public Agency. A Taxable Parcel that is acquired by a public agency after the CFD is formed will remain subject to the applicable Special Tax unless the Special Tax obligation is satisfied pursuant to Section 53317.5 of the Government Code. An exception to this may be made if a Public Parcel, such as a school site, is relocated to a Taxable Parcel, in which case the previously Tax-Exempt Parcel of comparable acreage becomes a Taxable Parcel and the Maximum Annual Special Tax from the previously Taxable Parcel is transferred to the new Taxable Parcel. This trading of a Parcel from a Taxable Parcel to a Public Parcel will be permitted to the extent there is no net loss in Maximum CFD Special Tax Revenue and the transfer is agreed to by the owners of the Parcels involved in the transfer and the Administrator.

5. Assignment of the Maximum Annual Special Tax

- a. Classification of Parcels. 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 County development approval records, the Administrator shall cause:
 - 1. Each Parcel to be classified as a Taxable Parcel or Tax-Exempt Parcel.
 - 2. Each Taxable Parcel to be classified as a Developed Parcel, a Final 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. Compute 100 percent of the Maximum Annual Special Tax Revenue for all Developed Parcels and levy the Maximum Annual Special Tax upon all Developed Parcels. If all Authorized Facilities of the CFD have been funded as determined by the County, the Board may authorize an annual Special Tax levy proportionally applied to all Developed Parcels equal to the Annual Costs computed in **Section 6.a**.

- c. For all Taxable Parcels calculate the Special Tax levy for each Taxable Parcel by the following steps:
- Step 6.c.1: Compare the Annual Costs calculated in **Section 6.a** with the Maximum Annual Special Tax Revenue computed in **Section 6.b**.
- Step 6.c.2: If the Annual Costs are greater than the amount calculated in **Section 6.b**, increase proportionately the Maximum Annual Special Tax levy for each Final Map Parcel until the revenue from the Special Tax levy, when added to the levy amount computed in **Section 6.b**, equals the Annual Costs, or 100 percent of the Maximum Annual Special Tax for all Final Map Parcels, if needed to fund Annual Costs.
- Step 6.c.3: If the Annual Costs are greater than the amount calculated in **Section 6.b** and Step 6.c.2, increase proportionately the Maximum Annual Special Tax levy, when added to the levy amounts determined in **Section 6.b** and Step 6.c.2 above, 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 6.c.4: If the Annual Costs are greater than the amount calculated in **Section 6.b**, Step 6.c.2, and Step 6.c.3, increase proportionately the Maximum Annual Special Tax levy for each Undeveloped Parcel until the revenue from the Special Tax levy, when added to the levy amounts determined in **Section 6.b**, Step 6.c.2, and Step 6.c.3 above, equals the Annual Costs, or 100 percent of the Maximum Annual Special Tax for all Undeveloped Parcels, if needed to fund Annual Costs.
- d. Levy on each Taxable Parcel the amount calculated above.
- e. Prepare the Tax Collection Schedule and, unless an alternative method of collection has been selected pursuant to **Section 9**, send it to the County Auditor-Controller 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 Auditor for such inclusion.

7. Prepayment of the Special Tax Obligation

A property owner may permanently or partially satisfy the Maximum Annual Special Tax for a Taxable Parcel by a Full or Partial Prepayment as permitted under Government Code Section 53344. Prepayment is permitted only under the following conditions:

- The County determines that the Prepayment of the Special Tax does not jeopardize its ability to make timely payments of Debt Service on Outstanding Bonds.
 - The landowner prepaying the Special Tax on a Parcel has paid any delinquent Special Tax and penalties on that Parcel before Prepayment.
- a. The Full Prepayment amount before the issuance of CFD Bonds shall be calculated using following procedures:

- Step 7.a.1: Determine the Maximum Annual Special Tax for the Parcel for which the Special Tax is to be prepaid using the provisions of **Sections 4** and **5**.

- Step 7.a.2: Divide the amount from *Step 7.a.1* by the Maximum CFD Special Tax Revenue to determine the Benefit Share for the Prepayment Parcel.
- Step 7.a.3: Multiply the Remaining Facilities Costs, as increased by ENR-CC from the Base Year, times the Benefit Share to determine the Prepayment amount.
- Step 7.a.4: Add to the amount determined in *Step 7.a.3* any costs to the County associated with the preparation of the Prepayment calculation
- b. The Full Prepayment amount after the issuance of CFD Bonds shall be calculated using the following procedures:
- Step 7.b.1: Determine the Maximum Annual Special Tax for the Parcel for which the Special Tax is to be prepaid using the provisions of **Sections 4 and 5**.
- Step 7.b.2: Divide the amount from *Step 7.b.1* by the Maximum CFD Special Tax Revenue to determine the Benefit Share for the Prepayment Parcel.
- Step 7.b.3: Multiply the Benefit Share by the total amount of Outstanding Bonds to determine the Bond Share for the Prepayment Parcel.
- Step 7.b.4: Multiply the amount calculated in *Step 7.b.3* by the call premium for the next available call date. Add this amount to the Bond Share determined in *Step 7.b.3*.
- Step 7.b.5: Determine the total amount of Bonds to be called by rounding the amount summed in *Step 7.b.4* down to the nearest \$5,000.
- Step 7.b.6: Multiply the Benefit Share by the Remaining Facilities Costs to determine the Remaining Facilities Cost Share for the Prepayment Parcel.
- Step 7.b.7: Sum the rounded amount from *Step 7.b.5* and Remaining Facilities Cost Share from *Step 7.b.6*.
- Step 7.b.8: Determine the Reserve Fund Share for the Prepayment Parcel by multiplying the Reserve Fund Requirement by the Benefit Share.
- Step 7.b.9: Reduce the amount calculated in *Step 7.b.7* by the amount of the Reserve Fund Share in *Step 7.b.8*, provided the Reserve Fund is equal to or not less than the Reserve Fund Requirement after reduction.
- Step 7.b.10: Determine the Full Prepayment amount by adding to the amount calculated in *Step 7.b.9* any fees, call premiums, and interest to the next Bond call date not covered by Special Taxes already levied, and expenses incurred by the CFD in connection with the Prepayment calculation or the application of the proceeds of the Prepayment to the call of Outstanding Bonds. If the Special Taxes have already been levied, but not collected, the Parcel shall not become a Prepayment Parcel until the owner of the Parcel has paid the Special Taxes included on the current property tax bill in addition to the Prepayment amount.
- c. The Partial Prepayment amount shall be established by following the procedure below :

The amount of any Partial Prepayment must be a minimum of 25 percent of the Full Prepayment amount. A Partial Prepayment may be made in an amount equal to at least 25 percent of the Full Prepayment desired by the party making a Partial Prepayment, except that the full amount of administrative fees and expenses determined in *Step 7.a.4* shall be included in the Partial Prepayment. The Maximum Annual Special Tax that can be levied on a Parcel after a Partial Prepayment is made is equal to the Maximum Annual Special Tax that could have been levied before the Prepayment, reduced by the percentage of the Full Prepayment that the Partial Prepayment represents, all as determined by or at the direction of the Administrator.

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

Any taxpayer who feels the amount of the Special Tax assigned to a Parcel is in error may file a notice with the Administrator appealing the levy of the Special Tax. The Administrator then will promptly review the appeal and, if necessary, meet with the applicant. If the Administrator 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. The appeal must be filed not later than one year after having paid the Special Tax that is disputed.

Interpretations may be made by the County, by Resolution or Ordinance of the Board, 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 Board approval, the Administrator may make minor, non-substantive administrative and technical changes to the provisions of this Exhibit that do not materially affect the rate, method of apportionment, and 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 County, 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 County, by Resolution or Ordinance of the Board, and in accordance with the law, provided such amendment does not reduce the total Maximum Annual Special Tax Revenue for the CFD.

9. Manner of Collection

The Special Tax will be collected in the same manner and at the same time as ad valorem property taxes, provided, however, that 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 County's financial obligations.

Attachment 1
CFD No. 2015-1 (East Ridge)
Maximum Annual Special Tax by Original Parcel

Original Parcel	Tax Category	Acres	Units	Maximum Annual Special Tax per Unit	Maximum Annual Special Tax per Original Parcel
				[1]	[1]
Parcel1	ER -1 & 2 (Small Lots)			\$2,750	\$0
	ER -2 (Large Lots)		41	\$3,000	\$123,000
	ER -1 and ER - LL		136	\$3,250	442,000
	Parcel1 Totals		177		\$565,000
Parcel2	ER -1 & 2 (Small Lots)		276	\$2,750	\$759,000
	ER -2 (Large Lots)			\$3,000	\$0
	ER -1 and ER- LL			\$3,250	iQ
	Parcel 2 Totals		276		\$759,000
Parcel3	ER -1 & 2 (Small Lots)		11	\$2,750	\$30,250
	ER -2 (Large Lots)		216	\$3,000	\$648,000
	ER -1 and ER - LL		21	\$3,250	\$68,250
	Parcel 3 Totals		248		\$746,500
Tract A [2]	ER -1 & 2 (Small Lots)			\$2,750	\$0
	ER -2 (Large Lots)			\$3,000	\$0
	ER -1 and ER- LL			\$3,250	iQ
	Tract A				\$0
	CFD Totals		701		\$2,070,500
Undeveloped Parcels					per acre \$3,800.00

"att1"

[1] The Maximum Annual Special Tax is increased by the Tax Escalation Factor each Fiscal Year following the Base Year.

[2] This Parcel shown on Map 1 is not a part of the development project and is intended to be a Tax-Exempt Parcel.

Attachment 2
 CFD No. 2015-1 (East Ridge)
 Maximum Annual Special Tax for Large Lot Parcels

Large Lot Parcel	Tax Category	Units	Maximum Annual Special Tax Per Unit	Maximum Annual Special Tax Per Large Lot Parcel
			[1]	[1]
7	ER-1 and ER-LL	2	\$3,250	\$6,500
9	ER-1 and ER-LL		\$3,250	\$3,250
12	ER-1 and ER-LL	15	\$3,250	\$48,750
13	ER-1 (Large Lot)	5	\$3,000	\$15,000
	ER-1 and ER-LL	1	\$3,250	\$13,000
	Totals for 13	9		\$28,000
14	ER-1 (Large Lot)	9	\$3,000	\$27,000
	ER-1 and ER-LL	2	\$3,250	\$22,750
	Totals for 14	16		\$49,750
15	ER-1 and ER-LL	7	\$3,250	\$22,750
16	ER-1 and ER-LL	6	\$3,250	\$19,500
19	ER-1 and ER-LL	1	\$3,250	\$3,250
20	ER-1 and ER-LL	1	\$3,250	\$3,250
22	ER-1 and ER-LL	3	\$3,250	\$9,750
23	ER-1 and ER-LL	19	\$3,250	\$61,750
25	ER-1 and ER-LL	6	\$3,250	\$19,500
26	ER-1 and ER-LL	4	\$3,250	\$13,000
27	ER-1 and ER-LL	8	\$3,250	\$26,000
28	ER-1 and ER-LL	4	\$3,250	\$13,000
29	ER-1 (Large Lot)	15	\$3,000	\$45,000

	ER-1 and ER-LL	1	\$3,250	\$3,250
	Totals for 29	16		\$48,250
30	ER-1 (Large Lot)	15	\$3,000	\$45,000
31	ER-1 and ER-LL	16	\$3,250	\$52,000
32	ER-1 and ER-LL	14	\$3,250	\$45,500
33	ER-1 (Large Lot)	2	\$3,000	\$6,000
	ER-1 and ER-LL	.1.§	\$3,250	\$48,750
	Totals for 33	17		\$54,750
34	ER-1 (Large Lot)	27	\$3,000	\$81,000
	ER-1 and ER-LL		\$3,250	\$6,500
	Totals for 34	29		\$87,500
35	ER-1 (Small Lot)	11	\$2,750	\$30,250
36	ER-1 (Large Lot)	8	\$3,000	\$24,000
	ER-1 and ER-LL	§	\$3,250	\$19,500
	Totals for 36	14		\$43,500
37	ER-1 (Large Lot)	10	\$3,000	\$30,000
38	ER-1 (Large Lot)	30	\$3,000	\$90,000
39	ER-1 (Large Lot)	22	\$3,000	\$66,000
43	ER-1 and ER-LL	14	\$3,250	\$45,500
48	ER-1 (Large Lot)	9	\$3,000	\$27,000
49	ER-1 (Large Lot)	10	\$3,000	\$30,000
50	ER-1 and ER-LL	1	\$3,250	\$3,250
52	ER-1 (Large Lot)	21	\$3,000	\$63,000
53	ER-1 (Large Lot)	34	\$3,000	\$102,000

54	ER-1 (Large Lot)	21	\$3,000	\$63,000
55	ER-1 (Large Lot)	19	\$3,000	\$57,000
56	ER-2 (Small Lot)	30	\$2,750	\$82,500
57	ER-2 (Small Lot)	55	\$2,750	\$151,250
60	ER-2 (Small Lot)	44	\$2,750	\$121,000
63	ER-2 (Small Lot)	65	\$2,750	\$178,750
64	ER-2 (Small Lot)	43	\$2,750	\$118,250
65	ER-2 (Small Lot)	39	\$2,750	\$107,250
CFD Totals		701		\$2,070,500

"att_2"

[1] The Maximum Annual Special Tax is increased by the Tax Escalation Factor each Fiscal Year following the Base Year.

EAST RIDGE VILLAGE

Map 1

COUNTY OF ELDORADO

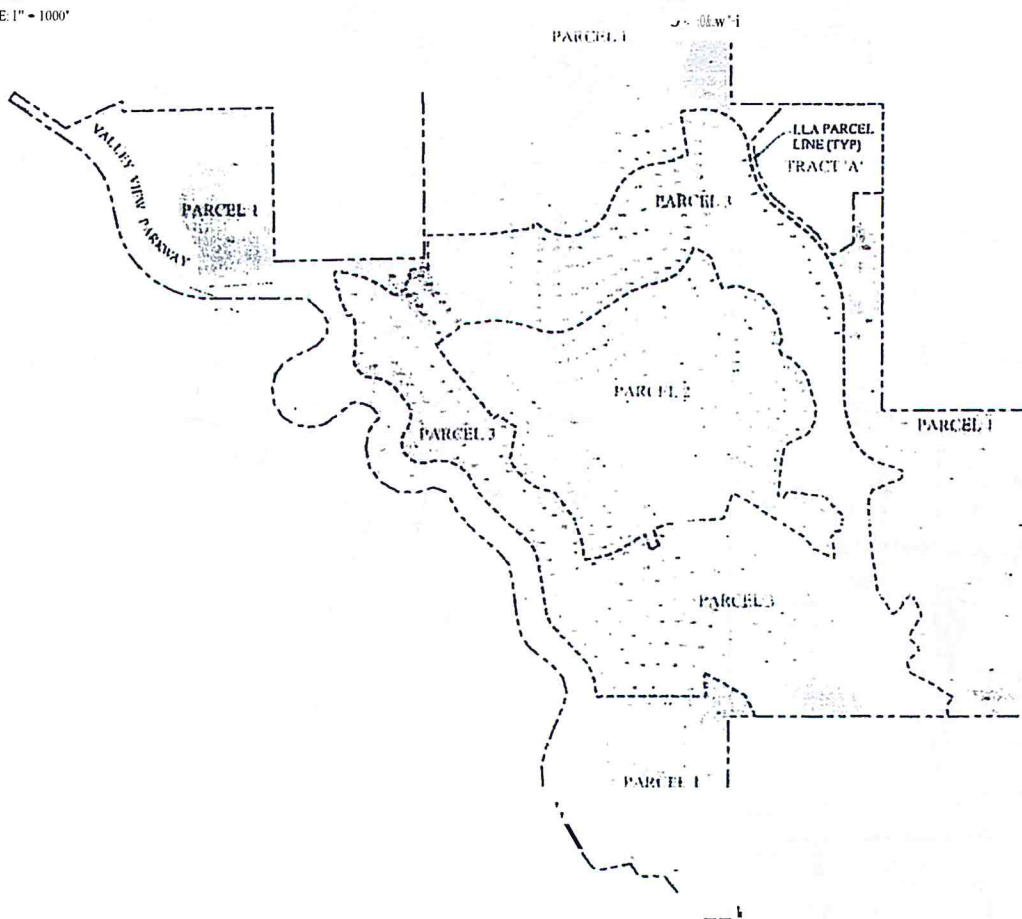
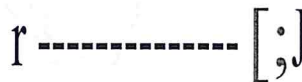
CFD FACILITIES
RATE MAP PER LOT LINE ADJUSTMENT (LLA)
MAY, 2015

STATE OF CALIFORNIA

LEGEND		
PARCEL 1: 177 UNITS	PARCEL 2: 176 UNITS	PARCEL 3: 248 UNITS
11 UNITS --- --- ---	[U, s] RATE 1(EK-2 SMALL LOTS)	c:n US TS 212 UNITS 20 UNITS f=1-1
RATE 2 (ER-1 LARGE LOTS) RATE 2 (ER-2 LARGE LOTS) RATE J (ER-1) RATE 1(EK-LL)		RATE 1(EK-1 SMALL LOTS) RATE 1 (ER-1 LARGE LOTS) RATE 2 (ER-2 LARGE LOTS) RATE J (ER-1) RATE J (ER-LL)



SCALE: 1" = 1000'



cta §3 Engineering & Surveying
C" ry:PI:0011J

15-10411-2A-26

EAST RIDGE VILLAGE

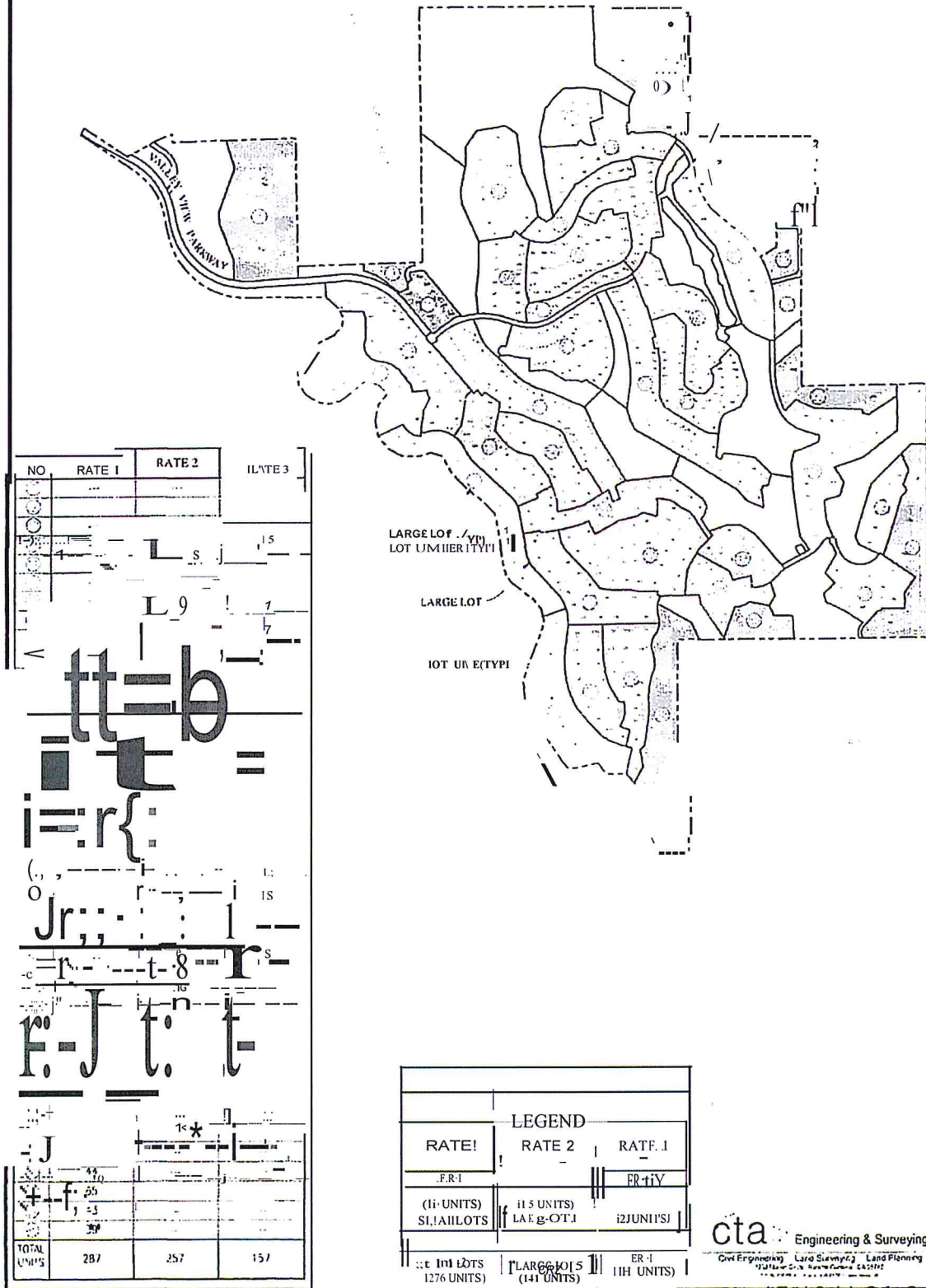
Map2

COUNTY OF ELDORADO

CFD FACILITIES RATE
MAP PER LARGE LOTS MAY,
2015

STATE OF CALIFORNIA

SCALE 1" = 100'



LEGEND		
RATE 1	RATE 2	RATE 3
ER-1	ER-2	ER-3
(11 UNITS)	(15 UNITS)	(21 UNITS)
SMALL LOTS	LARGE LOTS	ER-3
11 LOTS (1276 UNITS)	15 LOTS (141 UNITS)	21 LOTS (111 UNITS)

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