



# CITY OF BEAUMONT

## Public Hearing Report



Community Facilities District No. 2025-1  
(Fairway Canyon 4C)

December 16, 2025

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## Background

On November 4, 2025 the City Council (the “City Council”) of the City of Beaumont (the “City”), adopted a Resolution of Intention to form Community Facilities District No. 2025-1 (Fairway Canyon 4C) of the City of Beaumont (“CFD No. 2025-1” or “District”), Resolution No. 2025-60, pursuant to the provisions of the “Mello-Roos Community Facilities Act of 1982”, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California, (“Act”).

CFD No. 2025-1 is currently comprised of the following Tract Map Nos. 31462-17, -19, -27, -28, and -29 that includes five undeveloped parcels and approximately 97 gross acres with 59 planned for development. The proposed development includes 366 single family homes. The properties are generally located in the northwestern part of the City, west of Tukwet Canyon Parkway, and north of Oak Valley Parkway.

For a map showing the boundaries of CFD No. 2025-1 please see Appendix B.

## Purpose of Public Hearing Report

WHEREAS, this Community Facilities District Report (“Report”) is being provided to the City Council and generally contains the following:

1. A brief description of CFD No. 2025-1;
2. A brief description of the Facilities required at the time of formation to meet the needs of CFD No. 2025-1.
3. A brief description of the Boundaries of CFD No. 2025-1; and
4. An estimate of the cost of financing the bonds used to pay for the Facilities, including all costs associated with formation of the District, issuance of bonds, determination of the amount of any special taxes, collection of any special taxes, or costs otherwise incurred in order to carry out the authorized purposes of the City with respect to the District, and any other incidental expenses to be paid through the proposed financing.

For particulars, reference is made to the Resolution of Intention as previously approved and adopted and is included in Appendix C.

NOW, THEREFORE, the undersigned, authorized representative of Spicer Consulting Group, LLC, the appointed responsible officer, or person directed to prepare this Report, does hereby submit the following data:

### Description of the Facilities

A Community Facilities District may pay for facilities which may include all amounts necessary to eliminate any fixed special assessment liens or to pay, repay, or defease any obligation to pay for any indebtedness secured by any tax, fee, charge, or assessment levied, provide for the purchase, construction, expansion, or rehabilitation for any real or other tangible property with an estimated useful life of five (5) years or longer, which is necessary to meet increased demands placed upon local agencies as a result of development and/or rehabilitation occurring within the District.

The types of facilities that are proposed by CFD No. 2025-1 and financed with the proceeds of special taxes and bonds issued by CFD No. 2025-1 consist of the construction, purchase, modification, expansion, rehabilitation and/or improvement of (i) storm drainage, library, park, law enforcement, fire, streets and bridges, traffic, administration and community center facilities, and other public facilities of the City, including the foregoing public facilities which are included in the City's fee programs with respect to such facilities and authorized to be financed under the Act (the "Facilities"), and all appurtenances and appurtenant work in connection with the foregoing Facilities, including the cost of engineering, planning, designing, materials testing, coordination, construction staking, construction management and supervision for such Facilities.

### Incidental Expenses

The Incidental Expenses to be paid from bond proceeds and/or special taxes include:

- a) The cost of engineering, planning and designing the Facilities; and
- b) All costs, including costs of the property owner petitioning to form the District, associated with the creation of the District, the issuance of the bonds, the determination of the amount of special taxes to be levied and costs otherwise incurred in order to carry out the authorized purposes of the District; and
- c) Any other expenses incidental to the construction, acquisition, modification, rehabilitation, completion and inspection of the Facilities.

Capitalized terms used and not defined herein shall have the meaning set forth in the Rate and Method of Apportionment of Special Taxes for the District.

All costs associated with the creation of CFD No. 2025-1, the issuance of bonds, the determination of the amount of special taxes to be levied, costs incurred in order to carry out the authorized purposes of CFD No. 2025-1, including legal fees, fees of consultants, engineering, planning, designing and the annual costs to administer CFD No. 2025-1 and any obligations.

The description of the eligible public facilities, services and incidental expenses above are preliminary and general in nature. The final plans and specifications approved by the applicable public agency may show substitutes or modifications in order to accomplish the work or serve the new development and any such substitution or modification shall not constitute a change or modification in the proceedings relating to CFD No. 2025-1.

Below is the estimated cost of facilities to be provided to the District.

- a) The cost estimate of facilities, including incidental expenses, to be financed through the issuance of CFD No. 2025-1 Bonds is estimated to be \$2,865,000 based upon current dollars (Fiscal Year 2025-26).
- b) For further particulars please reference Table 3-1 below and incorporated herein by reference.
- c) Pursuant to Section 53340 of the Act, the proceeds of any special tax levied and collected by CFD No. 2025-1 may be used only to pay for the cost of providing public facilities, services, and incidental expenses. As defined by the Act, incidental expenses include, but are not limited to, the annual costs associated with determination of the amount of special taxes, collection of special taxes, payment of special taxes, or costs otherwise incurred in order to carry out the authorized purposes of the District. The incidental expenses associated with the annual administration of CFD No. 2025-1 are estimated to be \$30,000 in the initial Fiscal Year. However, it is anticipated that the incidental expenses will vary due to inflation and other factors that may not be foreseen today, and the actual incidental expenses may exceed these amounts accordingly.

**Table 3-1  
Cost Estimate**

| City Facilities              | Total              | Bond Allocation <sup>(1)</sup> |
|------------------------------|--------------------|--------------------------------|
| Lift Station                 | \$2,399,104        | \$2,371,450                    |
| Force Main                   | \$253,000          | \$0                            |
| <b>Total City Facilities</b> | <b>\$2,652,104</b> | <b>\$2,371,450</b>             |

|                                      |             |                    |
|--------------------------------------|-------------|--------------------|
| Total Eligible Fees/Improvements     | \$2,652,104 | \$2,371,450        |
| Incidental Financing Costs           |             | \$493,550          |
| <b>Total Funded by Bond Proceeds</b> |             | <b>\$2,865,000</b> |

|  |  |                  |
|--|--|------------------|
| <b>Total Fees/Improvements to be Funded by Developer</b> |  | <b>\$280,654</b> |
|--|--|------------------|

(1) Amounts are allocated based upon estimated bond sizing and may change based upon market conditions at the time of bond issuance. Allocation of bond proceeds between facility types to be determined at the time of bond issuance.

The CFD No. 2025-1 includes approximately 97 gross acres with 59 planned for development on five undeveloped parcels within Tract Map Nos. 31462-17, -19, -27, -28, and -29. The District is located in the northwestern part of the City, west of Tukwet Canyon Parkway, and north of Oak Valley Parkway. As of Fiscal Year 2025-26 the proposed CFD No. 2025-1 includes the following Assessor's Parcel Numbers:

| Assessor 's<br>Parcel Number |
|------------------------------|
| 413-790-075                  |
| 413-790-076                  |
| 413-790-077                  |
| 413-790-078                  |
| 413-790-079                  |

A map showing the boundaries of CFD No. 2025-1 is included in Appendix B.

The Rate and Method of Apportionment allows each property owner within CFD No. 2025-1 to estimate the annual Special Tax amount that would be required for payment. The Rate and Method of Apportionment of the Special Tax established pursuant to these proceedings, is attached hereto as Appendix A (the “Rate and Method”). The Special Tax will be collected in the same manner and at the same time as ordinary ad valorem property taxes and shall be subject to the same penalties, the same procedure, sale and lien priority in the case of delinquency; provided, however, that the CFD Administrator may directly bill the Special Taxes, may collect Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of CFD No. 2025-1, and provided further that CFD No. 2025-1 may covenant to foreclose and may actually foreclose on parcels having delinquent Special Taxes as permitted by the Act.

All of the property located within CFD No. 2025-1, unless exempted by law or by the Rate and Method proposed for CFD No. 2025-1, shall be taxed for the purpose of providing necessary facilities to serve the District. The Boundary Map for CFD No. 2025-1 is attached hereto as Appendix B. Pursuant to Section 53325.3 of the Act, the tax imposed “is a Special Tax and not a special assessment, and there is no requirement that the tax be apportioned on the basis of benefit to any property.” The Special Tax may be based on the benefit received by property, the cost of making facilities or authorized services available or other reasonable basis as determined by the City, although the Special Tax may not be apportioned on an ad valorem basis pursuant to Article XIII A of the California Constitution. A property owner within the District may choose to prepay in whole or in part the Special Tax. The available method for so doing is described in Section G of the Rate and Method (“Prepayment of Special Tax”).

For each year that any Bonds are outstanding the Special Tax shall be levied on all parcels subject to the Special Tax. If any delinquent Special Taxes remain uncollected prior to or after all Bonds are retired, the Special Tax may be levied to the extent necessary to reimburse CFD No. 2025-1 for uncollected Special Taxes associated with the levy of such Special Taxes, but the Special Tax shall not be levied after 2067-68 Fiscal Year.

**Table 5-1  
Assigned Special Tax for Developed Property – Tax Zone 1  
Fiscal Year 2025-26**

| Land Use Category                     | Taxable Unit | Building Square Footage      | Assigned Special Tax Per Taxable Unit |
|---------------------------------------|--------------|------------------------------|---------------------------------------|
| 1. Single Family Residential Property | RU           | Less than 2,100 sq. ft       | \$576.00                              |
| 2. Single Family Residential Property | RU           | 2,100 sq. ft to 2,300 sq. ft | \$592.00                              |
| 3. Single Family Residential Property | RU           | Greater than 2,300 sq. ft    | \$617.00                              |
| 4. Multifamily Property               | Acre         | N/A                          | \$5,049.00                            |
| 5. Non-Residential Property           | Acre         | N/A                          | \$5,049.00                            |

**Table 5-2  
Assigned Special Tax for Developed Property – Tax Zone 2  
Fiscal Year 2025-26**

| Land Use Category                     | Taxable Unit | Building Square Footage   | Assigned Special Tax Per Taxable Unit |
|---------------------------------------|--------------|---------------------------|---------------------------------------|
| 1. Single Family Residential Property | RU           | Less than 2,000 sq. ft    | \$664.00                              |
| 2. Single Family Residential Property | RU           | Greater than 2,000 sq. ft | \$674.00                              |
| 3. Multifamily Property               | Acre         | N/A                       | \$5,275.00                            |
| 4. Non-Residential Property           | Acre         | N/A                       | \$5,275.00                            |

**Table 5-3**  
**Assigned Special Tax for Developed Property – Tax Zone 3**  
**Fiscal Year 2025-26**

| Land Use Category                     | Taxable Unit | Building Square Footage      | Assigned Special Tax Per Taxable Unit |
|---------------------------------------|--------------|------------------------------|---------------------------------------|
| 1. Single Family Residential Property | RU           | Less than 2,600 sq. ft       | \$603.00                              |
| 2. Single Family Residential Property | RU           | 2,600 sq. ft to 3,000 sq. ft | \$656.00                              |
| 3. Single Family Residential Property | RU           | Greater than 3,000 sq. ft    | \$682.00                              |
| 4. Multifamily Property               | Acre         | N/A                          | \$3,827.00                            |
| 5. Non-Residential Property           | Acre         | N/A                          | \$3,827.00                            |

For particulars as to the Rate and Method for CFD No. 2025-1, see the attached and incorporated in Appendix A.

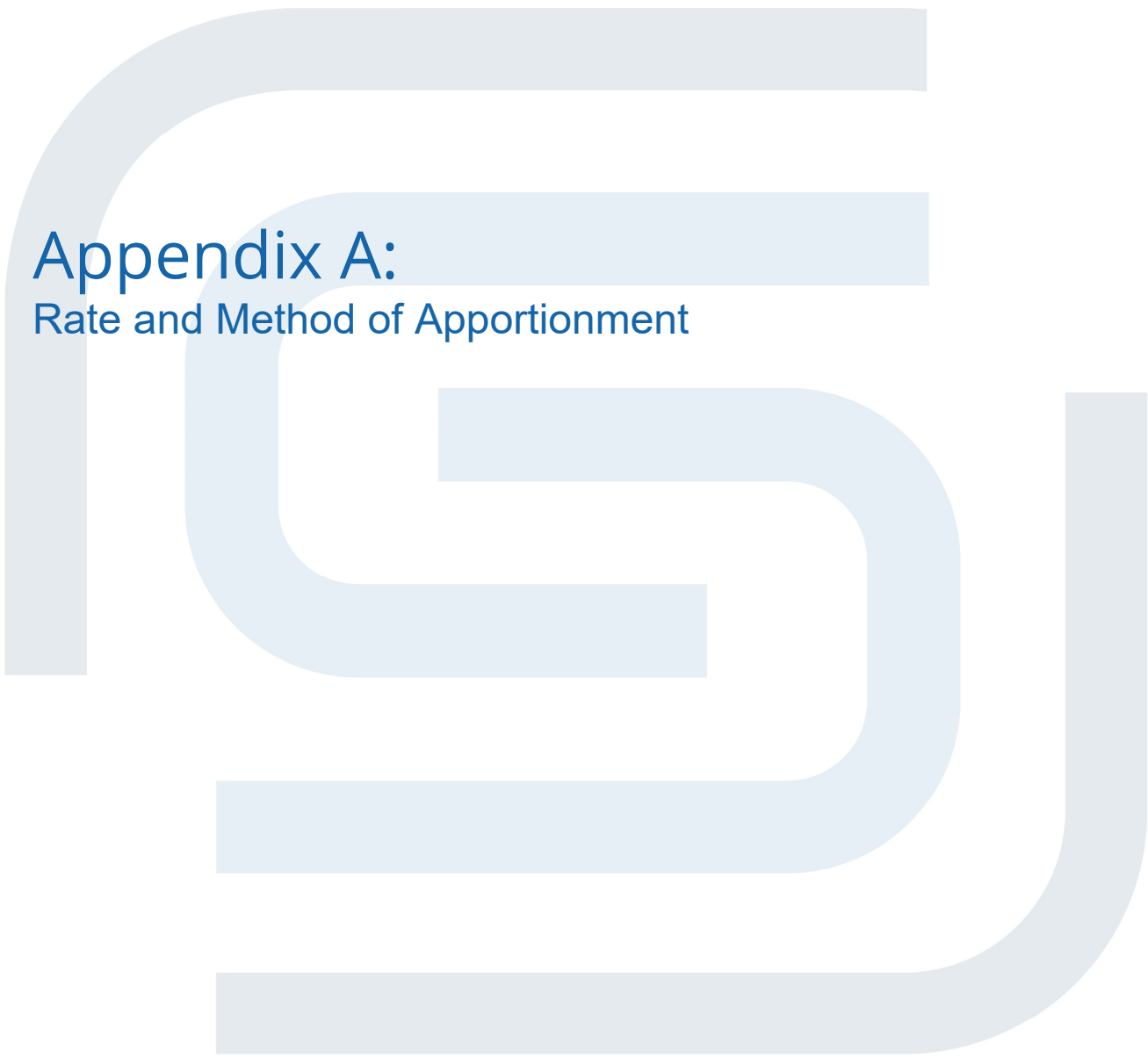
Based on the information provided herein, it is my opinion that the described services herein are those that are necessary to meet increased demands placed upon the City of Beaumont as a result of development occurring within the CFD No. 2025-1 and benefits the lands within said CFD No. 2025-1. Further, it is my opinion that the special tax rates and method of apportionment, as set forth herein, are fair and equitable, uniformly applied and not discriminating or arbitrary.

Date: December 16, 2025

SPICER CONSULTING GROUP, LLC



SHANE SPICER  
SPECIAL TAX CONSULTANT FOR  
CITY OF BEAUMONT  
RIVERSIDE COUNTY  
STATE OF CALIFORNIA



# Appendix A:

Rate and Method of Apportionment

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES FOR  
COMMUNITY FACILITIES DISTRICT NO. 2025-1 (FAIRWAY CANYON 4C)  
OF THE CITY OF BEAUMONT**

A Special Tax (all capitalized terms are defined in Section A, "Definitions", below) shall be applicable to each Assessor's Parcel of Taxable Property located within the boundaries Community Facilities District No. 2025-1 (Fairway Canyon 4C) of the City of Beaumont ("CFD No. 2025-1"). The amount of Special Tax to be levied in each Fiscal Year on an Assessor's Parcel shall be determined by the City Council of the City of Beaumont, acting in its capacity as the legislative body of CFD No. 2025-1, by applying the appropriate Special Tax for Developed Property, Approved Property, Undeveloped Property, and Provisional Undeveloped Property that is not Exempt Property as set forth below. All of the real property, unless exempted by law or by the provisions hereof in Section F, shall be taxed for the purposes, to the extent and in the manner herein provided.

**A. DEFINITIONS**

The terms hereinafter set forth have the following meanings:

**"Accessory Dwelling Unit"** means a residential unit of limited size including a smaller second unit that shares an Assessor's Parcel with Single Family Residential Property that has a stand-alone Residential Unit.

**"Acre" or "Acreage"** means the land area of an 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, parcel map, Condominium Plan, or other recorded County parcel map or instrument. The square footage of an Assessor's Parcel is equal to the Acreage multiplied by 43,560.

**"Act"** means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the Government Code of the State of California.

**"Administrative Expenses"** means the following actual or reasonably estimated costs directly related to the administration of CFD No. 2025-1: the costs of computing the Special Taxes and preparing the Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Special Taxes (whether by the City or otherwise); the costs of remitting Special Taxes to the Trustee; the costs of the Trustee (including legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 2025-1 or any designee thereof of complying with arbitrage rebate requirements; the costs to the City, CFD No. 2025-1 or any designee thereof of complying with disclosure requirements of the City, CFD No. 2025-1 and any major property owner associated with applicable federal and state securities laws and the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the City, CFD No. 2025-1 or any designee thereof related to an appeal of the Special Tax; the costs associated with the release of funds from an escrow account; and the City's annual administration fees and third party expenses. Administration Expenses shall also include amounts estimated by the CFD Administrator or advanced by the City or CFD No. 2025-1 for any other administrative purposes of CFD No. 2025-1, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

**"Approved Property"** means all Assessor's Parcels of Taxable Property: (i) that are included in a Final Map that was recorded prior to the January 1<sup>st</sup> preceding the Fiscal Year in which the Special Tax is being levied,

(ii) that have an assigned Assessor's Parcel Number from the County shown on an Assessor's Parcel Map for the individual lot included on the Final Map, and (iii) that have not been issued a Building Permit on or before May 1<sup>st</sup> preceding the Fiscal Year in which the Special Tax is being levied.

**"Assessor's Parcel"** means a lot or parcel of land designated on an Assessor's Parcel Map with an assigned Assessor's Parcel Number.

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

**"Assessor's Parcel Number"** means that number assigned to an Assessor's Parcel by the County for purposes of identification.

**"Assigned Special Tax"** means the Special Tax of that name described in Section D below.

**"Backup Special Tax"** means the Special Tax of that name described in Section D below.

**"Boundary Map"** means a recorded map of the CFD which indicates the boundaries of the CFD.

**"Building Permit"** means the first legal document issued by a local agency giving official permission for new construction. For purposes of this definition, "Building Permit" may or may not include any subsequent Building Permit document(s) authorizing new construction on an Assessor's Parcel that are issued or changed by the City after the first original issuance, as determined by the CFD Administrator as necessary to fairly allocate Special Tax to the Assessor's Parcel, provided that following such determination the Maximum Special Tax that may be levied in each Fiscal Year on all Assessor's Parcels of Taxable Property will be at least 1.1 times annual debt service on all outstanding CFD No. 2025-1 Bonds plus the estimated annual Administrative Expenses for such Fiscal Year.

**"Building Square Footage"** means the square footage of assessable internal living space, exclusive of garages or other structures not used as living space, as determined by the CFD Administrator by reference to the Building Permit for such Assessor's Parcel or other reliable information.

**"Calendar Year"** means the period commencing January 1 of any year and ending the following December 31.

**"CFD"** or **"CFD No. 2025-1"** means Community Facilities District No. 2025-1 (Fairway Canyon 4C) of the City of Beaumont established by the City under the Act.

**"CFD Administrator"** means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement, and providing for the levy and collection of the Special Taxes.

**"CFD No. 2025-1 Bonds"** means any obligation to repay a sum of money, including obligations in the form of bonds, notes, certificates of participation, long-term leases, loans from government agencies, or loans from banks, other financial institutions, private businesses, or individuals, or long-term contracts, or any refunding thereof, to which Special Tax of CFD No. 2025-1 have been pledged.

**"City"** means the City of Beaumont, State of California.

**"City Council"** means the City Council of the City of Beaumont, acting as the Legislative Body of CFD No. 2025-1.

**"Condominium Plan"** means a Condominium Plan as set forth in California Civil Code, Section 4285.

**"County"** means the County of Riverside, State of California.

**"Developed Property"** means all Assessor's Parcels: (i) that are included in a Final Map that was recorded prior to the January 1<sup>st</sup> preceding the Fiscal Year in which the Special Tax is being levied, (ii) that have an Assessor's Parcel Number from the County shown on an Assessor's Parcel Map for the individual lot included on the Final Map, and (iii) for which a Building Permit for new construction was issued on or before May 1<sup>st</sup> preceding the Fiscal Year in which the Special Tax is being levied.

**"Exempt Property"** means all Assessor's Parcels designated as being exempt from Special Taxes as provided for in Section F.

**"Final Map"** means a subdivision of property by recordation of a final map, parcel map, or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a Condominium Plan pursuant to California Civil Code Section 4285 that creates individual lots for which Building Permits may be issued without further subdivision.

**"Fiscal Year"** means the period commencing on July 1<sup>st</sup> of any year and ending the following June 30<sup>th</sup>.

**"Indenture"** means the indenture, fiscal agent agreement, resolution or other instrument pursuant to which CFD No. 2025-1 Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

**"Land Use Category"** means any of the categories listed in Table 1, Table 2, and Table 3 of Section D.

**"Maximum Special Tax"** means for each Assessor's Parcel, the maximum Special Tax, determined in accordance with Section D below, that can be levied by CFD No. 2025-1 in any Fiscal Year on such Assessor's Parcel.

**"Multifamily Property"** means all Assessor's Parcels of Developed Property for which a Building Permit has been issued for the purpose of constructing a building or buildings comprised of attached Residential Units available for rental by the general public, not for sale to an end user, and under common management, as determined by the CFD Administrator.

**"Non-Residential Property"** means all Assessor's Parcels of Developed Property for which a Building Permit(s) was issued or will be issued for a non-residential use. The CFD Administrator shall make the determination if an Assessor's Parcel is Non-Residential Property.

**"Partial Prepayment Amount"** means the amount required to prepay a portion of the Special Tax obligation for an Assessor's Parcel, as described in Section G.2.

**"Prepayment Amount"** means the amount required to prepay the Special Tax obligation in full for an Assessor's Parcel, as described in Section G.1.

**“Proportionately”** means for Taxable Property that is (i) Developed Property, that the ratio of the actual Special Tax levy to the Assigned Special Tax is the same for all Assessor’s Parcels of Developed Property, (ii) Approved Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is the same for all Assessor’s Parcels of Approved Property, and (iii) Undeveloped Property, or Provisional Undeveloped Property, that the ratio of the actual Special Tax levy per Acre to the Maximum Special Tax per Acre is the same for all Assessor’s Parcels of Undeveloped Property, or Provisional Undeveloped Property, as applicable.

**"Provisional Undeveloped Property"** means all Assessor’s Parcels of Taxable Property that would otherwise be classified as Exempt Property pursuant to the provisions of Section F, but cannot be classified as Exempt Property because to do so would be reduce the Acreage of all Taxable Property below the required minimum Acreage set forth in Section F.

**"Rate and Method of Apportionment"** means this Rate and Method of Apportionment of Special Tax for CFD No. 2025-1.

**"Residential Property"** means all Assessor’s Parcels of Developed Property for which a Building Permit has been issued for purposes of constructing one or more Residential Units.

**“Residential Unit”** or **"RU"** means a residential unit that is used or intended to be used as a domicile by one or more persons, as determined by the CFD Administrator. An Accessory Dwelling Unit that shares an Assessor’s Parcel with a Single Family Residential Property shall not be considered a Residential Unit for purposes of this Rate and Method of Apportionment.

**“Single Family Residential Property”** means all Assessor’s Parcels of Residential Property other than Multifamily Property.

**"Special Tax" or “Special Taxes”** means any of the special taxes authorized to be levied within CFD No. 2025-1 pursuant to the Act to fund the Special Tax Requirement.

**"Special Tax Requirement "** means the amount required in any Fiscal Year to pay: (i) the debt service or the periodic costs on all outstanding CFD No. 2025-1 Bonds due in the Calendar Year that commences in such Fiscal Year, (ii) Administrative Expenses, (iii) the costs associated with the release of funds from an escrow account, (iv) any amount required to replenish any reserve funds established in association with the CFD No. 2025-1 Bonds, (v) an amount equal to any anticipated shortfall due to Special Tax delinquencies, (vi) for debt service on CFD No. 2025-1 Bonds anticipated to be issued, and (vii) for the collection or accumulation of funds for the acquisition or construction of facilities authorized by CFD No. 2025-1, provided that the inclusion of such amount does not cause an increase in the levy of Special Tax on Approved Property or Undeveloped Property as set forth in Steps Two or Three of Section E., less (vii) any amounts available to pay debt service or other periodic costs on the CFD No. 2025-1 Bonds pursuant to the Indenture.

**“Tax Zone(s)”** means the geographical area(s) within CFD No. 2025-1 identified as Tax Zone 1, Tax Zone 2, or Tax Zone 3 as shown on the Boundary Map.

**“Tax Zone 1”** means all property located within CFD No. 2025-1 identified on the Boundary Map as Tax Zone 1.

**"Tax Zone 2"** means all property located within CFD No. 2025-1 identified on the Boundary Map as Tax Zone 2.

**"Tax Zone 3"** means all property located within CFD No. 2025-1 identified on the Boundary Map as Tax Zone 3.

**"Taxable Property"** means all Assessor's Parcels within CFD No. 2025-1 which are not Exempt Property.

**"Taxable Unit"** means either a Residential Unit or an Acre.

**"Trustee"** means the trustee, fiscal agent, or paying agent under the Indenture.

**"Undeveloped Property"** means all Assessor's Parcels of Taxable Property which are not Developed Property, Approved Property, or Provisional Undeveloped Property.

## **B. SPECIAL TAX**

Commencing Fiscal Year 2026-2027 and for each subsequent Fiscal Year, the City Council shall levy Special Taxes on all Taxable Property, up to the applicable Maximum Special Tax, to fund the Special Tax Requirement.

## **C. ASSIGNMENT TO LAND USE CATEGORY FOR SPECIAL TAX**

Each Fiscal Year, beginning with Fiscal Year 2026-2027, each Assessor's Parcel within CFD No. 2025-1 shall be classified as Taxable Property or Exempt Property. In addition, each Assessor's Parcel of Taxable Property shall be further classified as Developed Property, Approved Property, Undeveloped Property or Provisional Undeveloped Property. In addition, each Assessor's Parcel of Developed Property, Approved Property, Undeveloped Property or Provisional Undeveloped Property shall be further classified as being within Tax Zone 1, Tax Zone 2, or Tax Zone 3.

Assessor's Parcels of Developed Property shall further be classified as Residential Property or Non-Residential Property. Each Assessor's Parcel of Residential Property shall further be classified as Single Family Residential Property or Multifamily Property. Each Assessor's Parcel of Single Family Residential Property shall be further categorized into Land Use Categories based on its Building Square Footage and assigned to its appropriate Assigned Special Tax rate.

In the event that an Assessor's Parcel for which one or more Building Permits have been issued and the County has not yet assigned final Assessor's Parcel Number(s) to the Residential Unit(s) (in accordance with the Final Map or Condominium Plan) on such Assessor's Parcel, the amount of the Special Tax levy on such Assessor's Parcel for each Fiscal Year shall be determined as follows: (1) the CFD Administrator shall first determine an amount of the Maximum Special Tax levy for such Assessor's Parcel, based on the classification of such Assessor's Parcel as Undeveloped Property; (2) the amount of the Special Tax levy for the Residential Units on such Assessor's Parcel for which Building Permits have been issued shall be determined based on the Assigned Special Tax rates for Developed Property and shall be taxed as Developed Property in accordance with Step 1 of Section E below; and (3) the amount of the Special Tax levy on the Acreage of Taxable Property in such Assessor's Parcel not subject to the Special Tax levy in clause (2) shall be equal to: (A) the percentage of the Maximum Special Tax rate levied on all other Undeveloped Property multiplied by the total of the amount determined in clause (1), less the amount determined in clause (2).

**D. MAXIMUM SPECIAL TAX**

**1. Developed Property**

The Maximum Special Tax for each Assessor’s Parcel of Single Family Residential Property in any Fiscal Year shall be the greater of (i) the Assigned Special Tax or (ii) the Backup Special Tax.

The Maximum Special Tax for each Assessor’s Parcel of Non-Residential or Multifamily Property shall be the applicable Assigned Special Tax described in Table 1, Table 2 or Table 3 of Section D.

a. Assigned Special Tax

Each Fiscal Year, each Assessor’s Parcel of Single Family Residential Property, Multifamily Property or Non-Residential shall be subject to an Assigned Special Tax. The Assigned Special Tax applicable to an Assessor’s Parcel of Developed Property shall be determined pursuant to Table 1, Table 2, or Table 3 below.

**TABLE 1  
ASSIGNED SPECIAL TAX FOR DEVELOPED PROPERTY  
WITHIN TAX ZONE 1  
(FISCAL YEAR 2026-2027)**

| <b>Land Use Category</b>              | <b>Taxable Unit</b> | <b>Building Square Footage</b> | <b>Assigned Special Tax Per Taxable Unit</b> |
|---------------------------------------|---------------------|--------------------------------|--|
| 1. Single Family Residential Property | RU                  | Less than 2,100 sq. ft         | \$576.00                                     |
| 2. Single Family Residential Property | RU                  | 2,100 sq. ft to 2,300 sq. ft   | \$592.00                                     |
| 3. Single Family Residential Property | RU                  | Greater than 2,300 sq. ft      | \$617.00                                     |
| 4. Multifamily Property               | Acre                | N/A                            | \$5,049.00                                   |
| 5. Non-Residential Property           | Acre                | N/A                            | \$5,049.00                                   |

**TABLE 2  
ASSIGNED SPECIAL TAX FOR DEVELOPED PROPERTY  
WITHIN TAX ZONE 2  
(FISCAL YEAR 2026-2027)**

| <b>Land Use Category</b>              | <b>Taxable Unit</b> | <b>Building Square Footage</b> | <b>Assigned Special Tax Per Taxable Unit</b> |
|---------------------------------------|---------------------|--------------------------------|--|
| 1. Single Family Residential Property | RU                  | Less than 2,000 sq. ft         | \$664.00                                     |
| 2. Single Family Residential Property | RU                  | Greater than 2,000 sq. ft      | \$674.00                                     |
| 3. Multifamily Property               | Acre                | N/A                            | \$5,275.00                                   |
| 4. Non-Residential Property           | Acre                | N/A                            | \$5,275.00                                   |

**TABLE 3  
ASSIGNED SPECIAL TAX FOR DEVELOPED PROPERTY  
WITHIN TAX ZONE 3  
(FISCAL YEAR 2026-2027)**

| <b>Land Use Category</b>              | <b>Taxable Unit</b> | <b>Building Square Footage</b> | <b>Assigned Special Tax Per Taxable Unit</b> |
|---------------------------------------|---------------------|--------------------------------|--|
| 1. Single Family Residential Property | RU                  | Less than 2,600 sq. ft         | \$603.00                                     |
| 2. Single Family Residential Property | RU                  | 2,600 sq. ft to 3,000 sq. ft   | \$656.00                                     |
| 3. Single Family Residential Property | RU                  | Greater than 3,000 sq. ft      | \$682.00                                     |
| 4. Multifamily Property               | Acre                | N/A                            | \$3,827.00                                   |
| 5. Non-Residential Property           | Acre                | N/A                            | \$3,827.00                                   |

b. Multiple Land Use Categories

In some instances an Assessor’s Parcel of Developed Property may contain more than one Land Use Category. The Maximum Special Tax levied on an Assessor’s Parcel shall be the sum of the Maximum Special Tax for all Land Use Categories located on the Assessor’s Parcel. The CFD Administrator’s allocation to each type of property shall be final.

c. Backup Special Tax

When a Final Map is recorded, the CFD Administrator shall determine which Tax Zone the Final Map area lies within and the Backup Special Tax for an Assessor’s Parcel within the Final Map classified or to be classified as Single Family Property shall be calculated according to the following formula.

$$B = (U \times A) / L$$

The terms above have the following meanings:

B = Backup Special Tax per Assessor’s Parcel within the Final Map

U = Maximum Special Tax per Acre of Undeveloped Property per Section D.3 below

A = Acreage of Single Family Residential Property expected to exist in such Final Map at the time of calculation, as determined by the CFD Administrator

L = Number of Residential Units expected to exist in such Final Map at the time of calculation, as determined by the CFD Administrator.

In the event any portion of the Final Map is changed or modified, the Backup Special Tax for all Assessor’s Parcels within such changed or modified area shall be determined by Table 4 below:

**TABLE 4  
MAXIMUM SPECIAL TAX PER ACRE  
(FISCAL YEAR 2026-2027)**

| Tax Zone | Maximum Special Tax<br>per Acre |
|----------|---------------------------------|
| 1        | \$5,049                         |
| 2        | \$5,275                         |
| 3        | \$3,827                         |

In the event any superseding Final Map is recorded as a Final Map within the boundaries of the CFD, the Backup Special Tax for all Assessor’s Parcels within such Final Map shall be on the rate per Acre shown in the table above. The Backup Special Tax shall not apply to Multifamily Residential Property or Non-Residential Property.

**2. Approved Property**

The Maximum Special Tax for each Assessor’s Parcel of Approved Property expected to be classified as Single Family Property shall be the Backup Special Tax computed pursuant to Section D.1.c above.

The Maximum Special Tax for each Assessor’s Parcel of Approved Property expected to be classified as Multifamily Property or Non-Residential Property shall be \$5,049 per Acre for Tax Zone 1, \$5,275 per Acre for Tax Zone 2, and \$3,827 per Acre for Tax Zone 3.

**3. Undeveloped Property and Provisional Undeveloped Property that is not Exempt Property pursuant to the provisions of Section F**

The Maximum Special Tax for each Assessor’s Parcel of Undeveloped Property and Provisional Undeveloped Property that is not Exempt Property shall be equal to the product of \$5,049 per Acre for Tax Zone 1, \$5,275 per Acre for Tax Zone 2, and \$3,827 per Acre for Tax Zone 3, in each case multiplied by the Acreage of such Assessor’s Parcel.

**E. METHOD OF APPORTIONMENT OF THE SPECIAL TAX**

Commencing Fiscal Year 2026-2027 and for each subsequent Fiscal Year, the City Council shall levy Special Taxes on all Taxable Property in accordance with the following steps:

Step One: The Special Tax shall be levied Proportionately on each Assessor’s Parcel of Developed Property at up to 100% of the applicable Assigned Special Tax rate to satisfy the Special Tax Requirement.

Step Two: If additional moneys are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Assessor’s Parcel of Approved Property at up to 100% of the Maximum Special Tax applicable to each such Assessor’s Parcel as needed to satisfy the Special Tax Requirement.

Step Three: If additional moneys are needed to satisfy the Special Tax Requirement after the first two steps have been completed, the Special Tax shall be levied Proportionately on each Assessor’s Parcel of Undeveloped Property up to 100% of the Maximum Special Tax

applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement.

Step Four: If additional moneys are needed to satisfy the Special Tax Requirement after the first three steps have been completed, then the Special Tax levy on each Assessor's Parcel of Developed Property for which the Maximum Special Tax is the Backup Special Tax shall be increased Proportionately from the Assigned Special Tax up to 100% of the Backup Special Tax as needed to satisfy the Special Tax Requirement.

Step Five: If additional moneys are needed to satisfy the Special Tax Requirement after the first four steps have been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Provisional Undeveloped Property up to 100% of the Maximum Special Tax applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement.

Notwithstanding the above, under no circumstances will the Special Taxes levied in any Fiscal Year against any Assessor's Parcel of Residential Property as a result of a delinquency in the payment of the Special Tax applicable to any other Assessor's Parcel be increased by more than ten percent (10%) above the amount that would have been levied in that Fiscal Year had there never been any such delinquency or default.

**F. EXEMPTIONS**

The City shall classify as Exempt Property, in the following order of priority, (i) Assessor's Parcels which are owned by, irrevocably offered for dedication, encumbered by or restricted in use by the State of California, Federal or other local governments, including school districts, (ii) Assessor's Parcels which are used as places of worship and are exempt from *ad valorem* property taxes because they are owned by a religious organization, (iii) Assessor's Parcels which are owned by, irrevocably offered for dedication, encumbered by or restricted in use by a homeowners' association, (iv) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement, (v) Assessor's Parcels which are privately owned and are encumbered by or restricted solely for public uses, or (vi) Assessor's Parcels restricted to other types of public uses determined by the City Council, provided that no such classification would reduce the total Acreage of all Taxable Property to less than the amounts shown in Table 5 below.

**TABLE 5  
MINIMUM TAXABLE ACRES**

| <b>Tax Zone</b> | <b>Acres</b> |
|-----------------|--------------|
| 1               | 8.33         |
| 2               | 15.86        |
| 3               | 28.55        |

Notwithstanding the above, the City Council shall not classify an Assessor's Parcel as Exempt Property if such classification would reduce the total Acreage of all Taxable Property to less than the Acres shown in Table 5 per Tax Zone. Assessor's Parcels which cannot be classified as Exempt Property because such classification would reduce the Acreage of all Taxable Property to less than the Acres shown in Table 5 per Tax Zone will be classified as Provisional Undeveloped Property, and will be subject to Special Tax pursuant to Step Five in Section E.

## G. PREPAYMENT OF SPECIAL TAX

The following additional definitions apply to this Section G:

**“CFD Public Facilities”** means \$3,000,000 expressed in 2025 dollars, which shall increase by the Construction Inflation Index on July 1, 2026, and on each July 1 thereafter, or such lower amount (i) determined by the City Council as sufficient to provide the public facilities under the authorized bonding program for CFD No. 2025-1, or (ii) determined by the City Council concurrently with a covenant that it will not issue any more CFD No. 2025-1 Bonds to be supported by Special Tax levied under this Rate and Method of Apportionment.

**“Construction Fund”** means an account specifically identified in the Indenture or functionally equivalent to hold funds, which are currently available for expenditure to acquire or construct public facilities eligible to be financed by CFD No. 2025-1.

**“Construction Inflation Index”** means the annual percentage change in the Engineering News-Record Building Cost Index for the City of Los Angeles, measured as of the Calendar Year which ends in the previous Fiscal Year. In the event this index ceases to be published, the Construction Inflation Index shall be another index as determined by the City that is reasonably comparable to the Engineering News-Record Building Cost Index for the City of Los Angeles.

**“Future Facilities Costs”** means the CFD Public Facilities minus (i) public facility costs previously funded from the Construction Fund, (ii) public facility costs available to be funded through existing construction or escrow accounts funded by the Outstanding Bonds, and minus (iii) public facility costs funded by interest earnings on the Construction Fund actually earned prior to the date of prepayment, provided such amount shall not be less than zero.

**“Outstanding Bonds”** means all previously issued CFD No. 2025-1 Bonds issued and secured by the levy of Special Tax which will remain outstanding after the first interest and/or principal payment date following the current Fiscal Year, excluding CFD No. 2025-1 Bonds to be redeemed at a later date with the proceeds of prior prepayments of Special Tax.

### 1. Prepayment in Full

The Maximum Special Tax obligation may be prepaid and permanently satisfied for (i) Assessor’s Parcels of Developed Property, (ii) Assessor’s Parcels of Approved Property or Undeveloped Property for which a Building Permit has been issued, (iii) Approved Property or Undeveloped Property for which a Building Permit has not been issued and (iv) Assessor’s Parcels of Provisional Undeveloped Property that are not Exempt Property pursuant to Section F. The Maximum Special Tax obligation applicable to an Assessor’s Parcel may be fully prepaid and the obligation to pay the Special Tax for such Assessor’s Parcel permanently satisfied as described herein; provided that a prepayment may be made only if there are no delinquent Special Taxes with respect to such Assessor’s Parcel at the time of prepayment. An owner of an Assessor’s Parcel intending to prepay the Maximum Special Tax obligation for such Assessor’s Parcel shall provide the CFD Administrator with written notice of intent to prepay, and within 5 business days of receipt of such notice, the CFD Administrator shall notify such owner of the amount of the non-refundable deposit determined to cover the cost to be incurred by the CFD in calculating the Prepayment Amount (as defined below) for the Assessor’s Parcel. Within 15 days of receipt of such non-refundable deposit, the CFD Administrator shall notify such owner of the Prepayment Amount for the Assessor’s Parcel.

Prepayment must be made not less than 60 days prior to the redemption date for any Outstanding Bonds to be redeemed with the proceeds of such prepaid Special Taxes.

The Prepayment Amount (defined below) shall be calculated as follows (capitalized terms are defined below):

|         |                                  |
|---------|----------------------------------|
|         | Bond Redemption Amount           |
| plus    | Redemption Premium               |
| plus    | Future Facilities Amount         |
| plus    | Defeasance Amount                |
| plus    | Administrative Fees and Expenses |
| less    | Reserve Fund Credit              |
| Equals: | Prepayment Amount                |

The Prepayment Amount shall be determined as of the proposed prepayment date as follows:

1. Confirm that no Special Tax delinquencies apply to such Assessor's Parcel.
2. For an Assessor's Parcel of Developed Property, compute the Maximum Special Tax for the Assessor's Parcel. For an Assessor's Parcel of Approved Property or Undeveloped Property for which a Building Permit has been issued, compute the Maximum Special Tax for the Assessor's Parcel as though it was already designated as Developed Property, based upon the Building Permit which has been issued for the Assessor's Parcel. For an Assessor's Parcel of Approved Property or Undeveloped Property for which a Building Permit has not been issued or Provisional Undeveloped Property to be prepaid compute the Maximum Special Tax for the Assessor's Parcel.
3. Divide the Maximum Special Tax derived pursuant to paragraph 2 by the total amount of Special Taxes that could be levied at the Maximum Special Tax at build out of all Assessor's Parcels of Taxable Property based on the applicable Maximum Special Tax for Assessor's Parcels of Developed Property not including any Assessor's Parcels for which the Special Tax obligation has been previously prepaid.
4. Multiply the quotient derived pursuant to paragraph 3 by the principal amount of the Outstanding Bonds to determine the amount of Outstanding Bonds to be redeemed with the Prepayment Amount (the "Bond Redemption Amount").
5. Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed (the "Redemption Premium").
6. Determine the Future Facilities Costs.
7. Multiply the quotient derived pursuant to paragraph 3 by the amount determined pursuant to paragraph 6 to determine the amount of Future Facilities Costs for the Assessor's Parcel (the "Future Facilities Amount").
8. Determine the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds on which Outstanding Bonds can be redeemed from Special Tax prepayments.

9. Determine the Special Taxes levied on the Assessor's Parcel in the current Fiscal Year which have not yet been paid.
10. Determine the amount the CFD Administrator reasonably expects to derive from the investment of the Bond Redemption Amount and the Redemption Premium from the date of prepayment until the redemption date for the Outstanding Bonds to be redeemed with the Prepayment Amount.
11. Add the amounts derived pursuant to paragraphs 8 and 9 and subtract the amount derived pursuant to paragraph 10 (the "Defeasance Amount").
12. Verify the administrative fees and expenses of the CFD, including the cost of computation of the Prepayment Amount, the cost to invest the Prepayment Amount, the cost of redeeming the Outstanding Bonds, and the cost of recording notices to evidence the prepayment of the Maximum Special Tax obligation for the Assessor's Parcel and the redemption of Outstanding Bonds (the "Administrative Fees and Expenses").
13. The reserve fund credit (the "Reserve Fund Credit") shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture), if any, associated with the redemption of Outstanding Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture) in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero.
14. The Prepayment Amount is equal to the sum of the Bond Redemption Amount, the Redemption Premium, the Future Facilities Amount, the Defeasance Amount and the Administrative Fees and Expenses, less the Reserve Fund Credit.
15. From the Prepayment Amount, the Bond Redemption Amount, the Redemption Premium, and Defeasance Amount shall be deposited into the appropriate fund as established under the Indenture and be used to redeem Outstanding Bonds or make debt service payments. The Future Facilities Amount shall be deposited into the Construction Fund. The Administrative Fees and Expenses shall be retained by CFD No. 2025-1.

The Prepayment Amount may be sufficient to redeem other than a \$5,000 increment of Outstanding Bonds. In such event, the increment above \$5,000 or an integral multiple thereof will be retained in the appropriate fund established under the Indenture to be used with the next redemption from other Special Tax prepayments of Outstanding Bonds or to make debt service payments.

As a result of the payment of the current Fiscal Year's Special Tax levy as determined pursuant to paragraph 9 above, the CFD Administrator shall remove the current Fiscal Year's Special Tax levy for the Assessor's Parcel from the County tax roll. With respect to any Assessor's Parcel for which the Maximum Special Tax obligation is prepaid, the City Council shall cause a suitable notice to be recorded in compliance with the Act, to indicate the prepayment of Maximum Special Tax obligation and the release of the Special Tax lien for the Assessor's Parcel, and the obligation to pay the Special Tax for such Assessor's Parcel shall cease.

Notwithstanding the foregoing, no Special Tax prepayment shall be allowed unless the amount of

Maximum Special Tax that may be levied each Fiscal Year on all Assessor's Parcels of Taxable Property after the proposed prepayment will be at least 1.1 times annual debt service for such Fiscal Year on the Outstanding Bonds that will remain outstanding after the prepayment plus the estimated annual Administrative Expenses.

Tenders of Outstanding Bonds in prepayment of the Maximum Special Tax obligation may be accepted upon the terms and conditions established by the City Council pursuant to the Act. However, the use of Outstanding Bond tenders shall only be allowed on a case-by-case basis as specifically approved by the City Council.

## **2. Prepayment in Part**

The Maximum Special Tax obligation for an Assessor's Parcel of Developed Property, Approved Property or Undeveloped Property may be partially prepaid. For purposes of determining the partial prepayment amount, the provisions of Section G.1 shall be modified as provided by the following formula:

$$PP = ((P_E - A) \times F) + A$$

These terms have the following meaning:

PP = Partial Prepayment Amount

$P_E$  = the Prepayment Amount calculated according to Section G.1

F = the percent by which the owner of the Assessor's Parcel(s) is partially prepaying the Maximum Special Tax obligation

A = the Administrative Fees and Expenses determined pursuant to Section G.1

The owner of an Assessor's Parcel who desires to partially prepay the Maximum Special Tax obligation for the Assessor's Parcel shall notify the CFD Administrator of (i) such owner's intent to partially prepay the Maximum Special Tax obligation, (ii) the percentage of the Maximum Special Tax obligation such owner wishes to prepay, and (iii) the company or agency that will be acting as the escrow agent, if any. Within 5 days of receipt of such notice, the CFD Administrator shall notify such property owner of the amount of the non-refundable deposit determined to cover the cost to be incurred by the CFD in calculating the amount of a partial prepayment. Within 15 business days of receipt of such non-refundable deposit, the CFD Administrator shall notify such owner of the amount of the Partial Prepayment Amount for the Assessor's Parcel. A Partial Prepayment Amount must be made not less than 60 days prior to the redemption date for the Outstanding Bonds to be redeemed with the proceeds of the Partial Prepayment Amount.

With respect to any Assessor's Parcel for which the Maximum Special Tax obligation is partially prepaid, the CFD Administrator shall (i) distribute the Partial Prepayment Amount as provided in Paragraph 15 of Section G.1, and (ii) indicate in the records of the CFD that there has been a Partial Prepayment for the Assessor's Parcel and that a portion of the Maximum Special Tax obligation equal to the remaining percentage (1.00 - F) of the Maximum Special Tax obligation will continue to be levied on the Assessor's Parcel pursuant to Section E.

## **H. TERMINATION OF SPECIAL TAX**

For each Fiscal Year that any CFD No. 2025-1 Bonds are outstanding the Special Tax shall be levied on all Assessor's Parcels subject to the Special Tax. The Special Tax shall cease not later than the 2067-2068

Fiscal Year, however, Special Tax will cease to be levied in an earlier Fiscal Year if the CFD Administrator has determined (i) that all the required interest and principal payments on the CFD No. 2025-1 Bonds have been paid; (ii) all authorized facilities of CFD No. 2025-1 have been acquired and all reimbursements to the developer have been paid, (iii) no delinquent Special Taxes remain uncollected and (iv) all other obligations of CFD No. 2025-1 have been satisfied.

#### **I. MANNER OF COLLECTION**

The Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes, provided, however, that CFD No. 2025-1 may collect Special Taxes at a different time or in a different manner if necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on delinquent Assessor's Parcels as permitted by the Act.

#### **J. APPEALS OF SPECIAL TAXES**

Any taxpayer may file a written appeal of the Special Taxes on his/her Assessor's Parcel(s) with the CFD Administrator, provided that the appellant is current in his/her payments of Special Taxes. During pendency of an appeal, all Special Taxes previously levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination. If the CFD Administrator agrees with the appellant, the CFD Administrator shall grant a credit to eliminate or reduce future Special Taxes on the appellant's Assessor's Parcel(s). No refunds of previously paid Special Taxes shall be made.

The CFD Administrator shall interpret this Rate and Method of Apportionment and make determinations relative to the annual levy and administration of the Special Taxes and any taxpayer who appeals, as herein specified.



# Appendix B:

Proposed Boundary Map

COPY

98/8

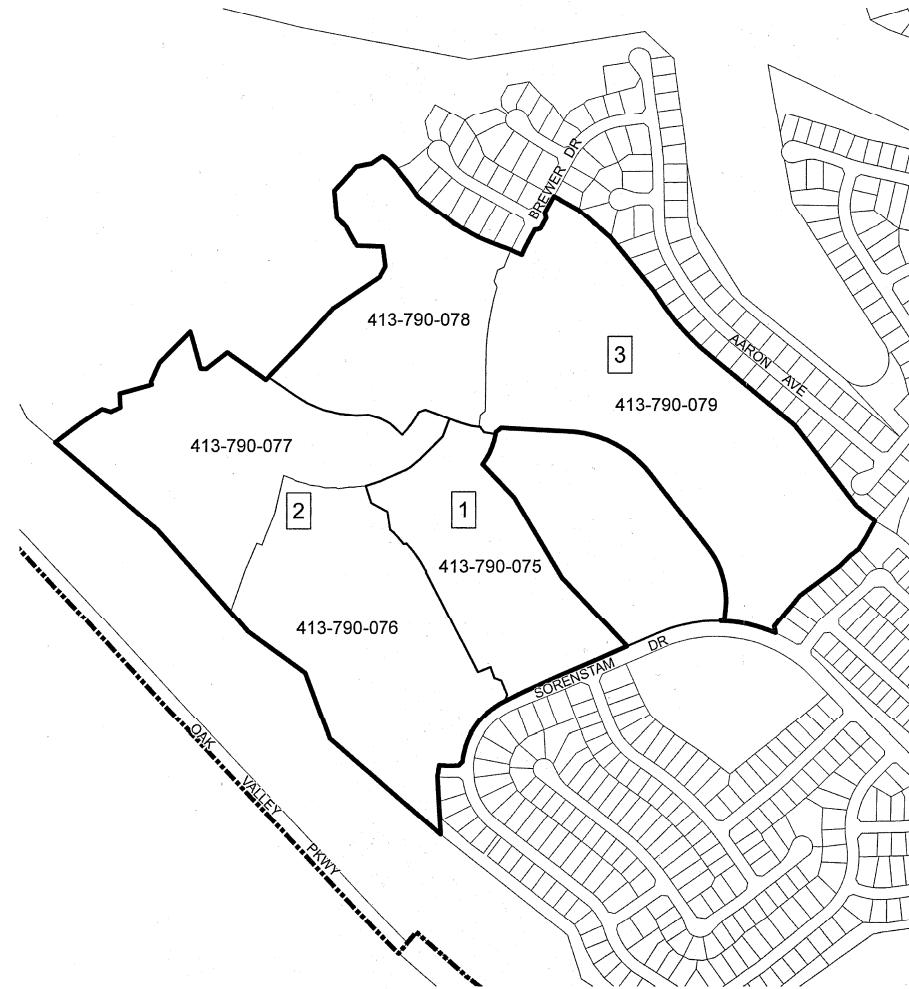
**PROPOSED BOUNDARY MAP**  
**COMMUNITY FACILITIES DISTRICT NO. 2025-1**  
**(FAIRWAY CANYON 4C)**  
**CITY OF BEAUMONT,**  
**COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2025-1 (FAIRWAY CANYON 4C), CITY OF BEAUMONT, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF BEAUMONT AT A REGULAR MEETING THEREOF, HELD ON 4<sup>th</sup> DAY OF Nov, 2025, BY RESOLUTION NO. 2025-160

E. Morgan  
 CITY CLERK  
 CITY OF BEAUMONT

FILED IN THE OFFICE OF THE CITY CLERK, CITY OF BEAUMONT, THIS 4<sup>th</sup> DAY OF Nov, 2025.

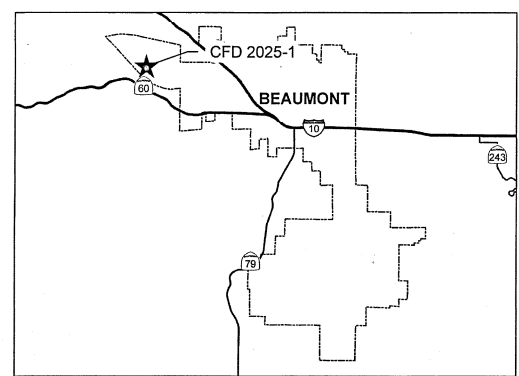
E. Morgan  
 CITY CLERK  
 CITY OF BEAUMONT



RECORDED THIS 12 DAY OF November, 2025 AT THE HOUR OF 3:15 O'CLOCK P.M IN BOOK 98 PAGE 8 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS IN THE OFFICE OF THE COUNTY RECORDER, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

FEE: \$9 NO.: 2025-0354752  
 PETER ALDANA, ASSESSOR, COUNTY CLERK, RECORDER

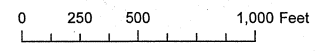
BY: Morgan  
 DEPUTY



**LEGEND**

- CITY BOUNDARY
- CFD BOUNDARY
- TAX ZONE BOUNDARY
- PARCEL LINE
- XXX-XXX-XXX ASSESSOR PARCEL NUMBER
- TAX ZONE

THIS BOUNDARY MAP CORRECTLY SHOWS THE LOT OR PARCEL OF LAND INCLUDED WITHIN THE BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT. FOR DETAILS CONCERNING THE LINES AND DIMENSIONS OF LOTS OR PARCEL REFER TO THE COUNTY ASSESSOR MAPS FOR FISCAL YEAR 2025-26.





# Appendix C:

## Resolution of Intention

**RESOLUTION NO. 2025-60**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BEAUMONT, CALIFORNIA, DECLARING ITS INTENTION TO ESTABLISH CITY OF BEAUMONT COMMUNITY FACILITIES DISTRICT NO. 2025-1 (FAIRWAY CANYON 4C), TO AUTHORIZE THE LEVY OF A SPECIAL TAX TO PAY THE COST OF ACQUIRING OR CONSTRUCTING CERTAIN PUBLIC FACILITIES AND PAYING FOR CERTAIN INCIDENTAL EXPENSES AND TO PAY DEBT SERVICE ON BONDED INDEBTEDNESS**

**WHEREAS**, the City of Beaumont (the “City”) has received petitions from at least 10% of the owners of the territory described in Exhibit A attached hereto (the “Property”), requesting to establish City of Beaumont Community Facilities District No. 2025-1 (Fairway Canyon 4C) (the “Community Facilities District”) therein to finance the purchase, construction, expansion, improvement or rehabilitation of the public facilities described in Exhibit B hereto (which exhibit is incorporated herein by this reference), including all furnishings, equipment and supplies related thereto (collectively, the “Facilities”), which Facilities have a useful life of five years or longer, and (2) the incidental expenses to be incurred in connection with financing the Facilities and forming the Community Facilities District and administering the Community Facilities District (the “Incidental Expenses”); and

**WHEREAS**, the City Council of the City (the “City Council”) intends to approve an estimate of the costs of the Facilities and the Incidental Expenses for the Community Facilities District; and

**WHEREAS**, it is the intention of the City Council to consider financing the Facilities and the Incidental Expenses through the formation of the Community Facilities District, and the sale of bonds in an amount not to exceed Four Million Dollars (\$4,000,000) (the “Bonds”) and the levy of a special tax in the Community Facilities District to pay debt service on the Bonds, provided that the bond sale and special tax levy are approved at an election to be held for the Community Facilities District;

**NOW, THEREFORE**, THE CITY COUNCIL OF THE CITY, DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

**SECTION 1.** The City Council declares its intention to conduct proceedings pursuant to said Article 3.5 of the Mello Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 of Part 1 of Division 2 of Title 5 of the Government Code of the State of California (the “Act”) for the establishment of the Community Facilities District pursuant to Section 53350 of the Act and with boundaries coterminous with the Property. It is further proposed that the boundaries of the Community Facilities District shall be the legal boundaries as described in Exhibit A hereto which boundaries shall, upon recordation of the boundary map for the Community Facilities District, include the entirety of any parcel subject to taxation by the Community Facilities District, except where indicated on the boundary map, and as depicted on

the boundary map of the Community Facilities District which is on file with the City Clerk. The City Clerk is hereby directed to sign the original boundary map of the Community Facilities District and record it with all proper endorsements thereon with the County Recorder of the County of Riverside within 15 days after the adoption of this resolution, all as required by Section 3111 of the Streets and Highways Code of the State of California.

SECTION 2. The name of the proposed Community Facilities District is “City of Beaumont Community Facilities District No. 2025-1 (Fairway Canyon 4C)”.

SECTION 3. The Facilities proposed to be provided within the Community Facilities District are public facilities as defined in the Act. The City Council hereby finds and determines that the description of the Facilities and Incidental Expenses herein is sufficiently informative to allow taxpayers within the Community Facilities District to understand what the funds of the Community Facilities District may be used to finance. The Incidental Expenses expected to be incurred include the cost of planning and designing the Facilities and the costs of forming the Community Facilities District, issuing bonds, levying and collecting a special tax within the Community Facilities District and the annual administration costs of the Community Facilities District. The City Council hereby finds that the proposed Facilities are necessary to meet increased demands placed upon the City as a result of development occurring in the Community Facilities District. The Facilities may be acquired from one or more of the property owners as completed public facilities or may be constructed by or on behalf of the City and paid for with bond proceeds.

SECTION 4. Except where funds are otherwise available, it is the intention of the City Council to levy annually in accordance with the procedures contained in the Act a special tax within the Community Facilities District, secured by a continuing lien against all non-exempt real property sufficient to pay for the Facilities and Incidental Expenses and the principal and interest and other periodic costs on bonds or other indebtedness issued to finance the Facilities and Incidental Expenses, including the establishment and replenishment of any reserve funds deemed necessary by the City, and any remarketing, credit enhancement and liquidity facility fees (including such fees for instruments which serve as the basis of a reserve fund in lieu of cash) attributable to the Community Facilities District.

The rate and method of apportionment and manner of collection of the special tax are described in detail in Exhibit “C” attached hereto, which Exhibit “C” is incorporated herein by this reference. Exhibit “C” allows each landowner within the proposed Community Facilities District to estimate the maximum amount of the special tax that may be levied against each parcel. In the first year in which such special tax is levied in the Community Facilities District, the levy shall include an amount sufficient to repay to the Community Facilities District all amounts, if any, transferred to the Community Facilities District pursuant to Section 53314 of the Act and interest thereon.

If the special taxes are levied against any parcel used for private residential purposes, (i) the maximum special tax rate shall be specified as a dollar amount which shall be calculated and established not later than the date on which the parcel is first subject to the special tax because of its use for private residential purposes and shall not be increased over time, except to the extent permitted in the rate and method of apportionment of the special tax as set forth in Exhibit “C”

hereto, (ii) such special tax shall not be levied after fiscal year 2067-68, as described in Exhibit "C" hereto, and (iii) under no circumstances will the special tax levied in any fiscal year against any such parcel used for private residential uses be increased as a consequence of delinquency or default by the owner or owners of any other parcel or parcels within the Community Facilities District by more than ten percent (10%) above the amount that would have been levied in that fiscal year had there never been any such delinquencies or defaults.

The special tax is based on the cost of making the Facilities available to each parcel of real property within the Community Facilities District. The City Council hereby determines the rate and method of apportionment of the special tax for the Community Facilities District set forth in Exhibit "C" to be reasonable. The special tax is apportioned to each parcel on the foregoing basis pursuant to Section 53325.3 of the Act; and such special tax is not on or based upon the value or ownership of real property. In the event that a portion of the property within the Community Facilities District shall become for any reason exempt, wholly or partially, from the levy of the special tax specified on Exhibit "C", the City Council shall, on behalf of the Community Facilities District, cause the levy to be increased, subject to the limitation of the maximum special tax for a parcel as set forth in Exhibit "C" to the extent necessary upon the remaining property within the Community Facilities District which is not exempt in order to yield the special tax revenues required for the purposes described in this Section. The obligation to pay the special tax may be prepaid only as set forth in the rate and method of apportionment set forth in Exhibit "C" hereto.

SECTION 5. A combined public hearing (the "Hearing") on the establishment of the Community Facilities District, the proposed rate and method of apportionment of the special tax for Community Facilities District and the proposed issuance of bonds for the Community Facilities District to finance the Facilities and the Incidental Expenses shall be held at 6:00 p.m., or as soon thereafter as practicable, on December 16, 2025, at the City Council's Chambers, 550 East 6th Street, Beaumont, California. If the City Council determines to form the Community Facilities District, special elections will be held within the Community Facilities District to authorize the issuance of bonds for the Community Facilities District and the levy of a special tax in accordance with the procedures contained in Government Code Section 53326. If such elections are held, the proposed voting procedure at the elections will be a landowner vote with each landowner who is the owner of record of land within the Community Facilities District at the close of the Hearing, or the authorized representative thereof, having one vote for each acre or portion thereof owned within such proposed Community Facilities District. Ballots for the special elections may be distributed by mail or by personal service.

SECTION 6. At the time and place set forth above for the Hearing, the City Council will receive testimony as to whether the Community Facilities District therein shall be established and whether special taxes shall be levied in accordance with the proposed rate and method of apportionment of the special tax, and whether Obligations for the Community Facilities District shall be authorized to be issued to finance Facilities and Incidental Expenses of the Community Facilities District.

At the time and place set forth above for the Hearing, any interested person, including all persons owning lands or registered to vote within the Community Facilities District, may appear and be heard.

SECTION 7. The City Clerk is hereby authorized and directed to publish a notice (the "Notice") of the Hearing pursuant to Section 6061 of the Government Code in a newspaper of general circulation published in the area of the Community Facilities District. The City Clerk is further authorized and directed to mail a copy of the Notice to each of the landowners or any registered voters within the boundaries of the Community Facilities District at least 15 days prior to the Hearing. The Notice shall contain the text or a summary of this Resolution, the time and place of the Hearing, a statement that the testimony of all interested persons or taxpayers will be heard, a description of the protest rights of the registered voters and landowners in the Community Facilities District and a description of the proposed voting procedure for the elections required by the Act. Such publication shall be completed at least seven (7) days prior to the date of the Hearing.

SECTION 8. Each City officer who is or will be responsible for providing the Facilities, if it is established, is hereby directed to study the Community Facilities District and, at or before the time of the Hearing, file a report with the City Council containing a brief description of the public facilities by type which will in his or her opinion be required to meet adequately the needs of the Community Facilities District and an estimate of the cost of providing those public facilities.

SECTION 9. The City may accept advances of funds or work-in-kind from any source, including, but not limited to, private persons or private entities, for any authorized purpose, including, but not limited to, paying any cost incurred by the City in creating the Community Facilities District. The City may enter into an agreement with the person or entity advancing the funds or work-in-kind, to repay all or a portion of the funds advanced, or to reimburse the person or entity for the value, or cost, whichever is less, of the work-in-kind, as determined by the City Council, with or without interest.

SECTION 10. The reasonably expected maximum principal amount of the bonded indebtedness to be incurred by the Community Facilities District for the Facilities and Incidental Expenses is Four Million Dollars (\$4,000,000).

SECTION 11. Urban Futures, Inc. is hereby appointed to act as municipal advisor to the City and the Community Facilities District with respect to the formation of the Community Facilities District. Spicer Consulting Group, LLC, is hereby appointed to act as special tax consultant with respect to the formation of the Community Facilities District. Stradling Yocca Carlson & Rauth LLP, is hereby appointed to act as special counsel with respect to the formation of the Community Facilities District.

SECTION 12. Except to the extent limited in any bond resolution or trust indenture related to the issuance of bonds, the City Council hereby reserves to itself all rights and powers set forth in Section 53344.1 of the Act (relating to tenders in full or partial payment).

SECTION 13. This Resolution shall be effective upon its adoption.

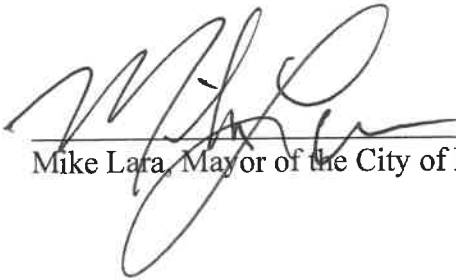
**MOVED, PASSED AND ADOPTED** this 4th day of November 2025.

AYES: Fenn, Martinez, White, Voigt, Lara

NOES:

ABSTAIN:

ABSENT:

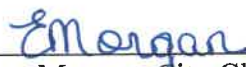


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Mike Lara, Mayor of the City of Beaumont

(SEAL)

ATTEST:



---

Elaine Morgan, City Clerk  
of the City of Beaumont

STATE OF CALIFORNIA            )  
  ) ss.  
COUNTY OF RIVERSIDE         )

I, Elaine Morgan, City Clerk of the City of Beaumont, do hereby certify that the foregoing resolution was duly adopted by the City Council of said City, at a regular meeting of said Board held on the 4<sup>th</sup> day of November, 2025, and that it was so adopted by the following vote:

AYES:    *Fenn, Martinez, White, Voigt, Lara*

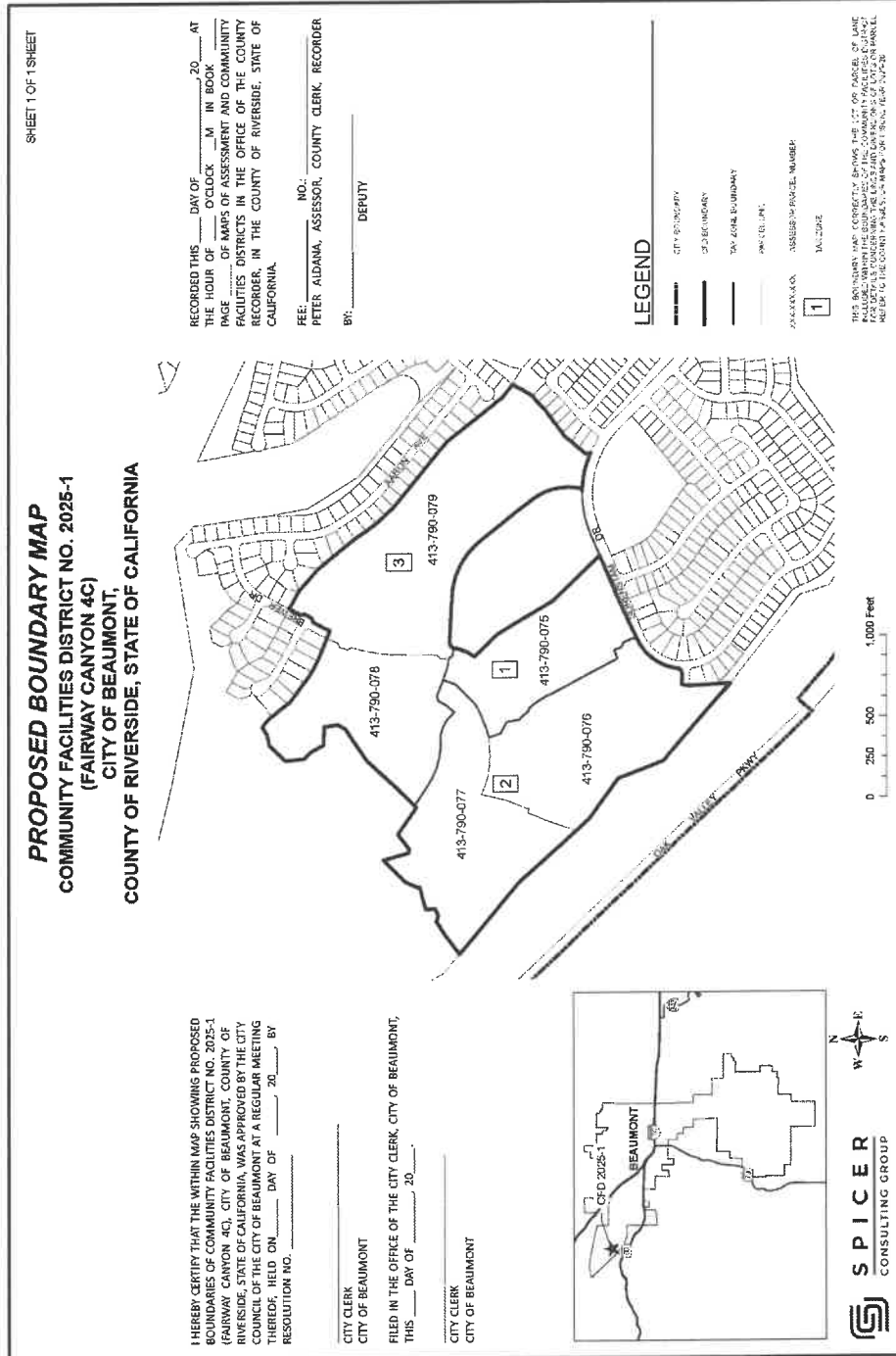
NOES:

ABSENT:

*Elaine Morgan*  
\_\_\_\_\_  
Elaine Morgan, City Clerk  
City of Beaumont

# EXHIBIT A

## DESCRIPTION OF THE PROPOSED COMMUNITY FACILITIES DISTRICT



## **EXHIBIT B**

### **DESCRIPTION OF THE FACILITIES AND INCIDENTAL EXPENSES**

#### **TYPES OF FACILITIES**

The proposed types of public facilities and expenses to be financed by the Community Facilities District include:

The construction, purchase, modification, expansion and/or improvement of roadway, bridge, sewer, domestic and reclaimed water, dry utilities, storm drain, curb and gutter, medians, traffic signals, parks, trails, police facilities, fire facilities, library facilities, public community facilities, and any other facilities permitted pursuant to the Act, and appurtenances and appurtenant work, and development impact fees that are used by the City to construct infrastructure including design, engineering and planning costs associated therewith.

#### **TYPES OF INCIDENTAL EXPENSES**

The Incidental Expenses to be paid from bond proceeds and/or special taxes include:

- a. The cost of engineering, planning and designing the Facilities;
- b. All costs, including costs of the property owner petitioning to form the Community Facilities District, associated with the creation of the Community Facilities District, the issuance of the bonds, the determination of the amount of special taxes to be levied and costs otherwise incurred in order to carry out the authorized purposes of the Community Facilities District; and
- c. Any other expenses incidental to the construction, acquisition, modification, rehabilitation, completion and inspection of the Facilities.

## EXHIBIT C

### RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES FOR CITY OF BEAUMONT COMMUNITY FACILITIES DISTRICT NO. 2025-1 (FAIRWAY CANYON 4C)

A Special Tax (all capitalized terms are defined in Section A, "Definitions", below) shall be applicable to each Assessor's Parcel of Taxable Property located within the boundaries Community Facilities District No. 2025-1 (Fairway Canyon 4C) of the City of Beaumont ("CFD No. 2025-1"). The amount of Special Tax to be levied in each Fiscal Year on an Assessor's Parcel shall be determined by the City Council of the City of Beaumont, acting in its capacity as the legislative body of CFD No. 2025-1, by applying the appropriate Special Tax for Developed Property, Approved Property, Undeveloped Property, and Provisional Undeveloped Property that is not Exempt Property as set forth below. All of the real property, unless exempted by law or by the provisions hereof in Section F, shall be taxed for the purposes, to the extent and in the manner herein provided.

#### A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

**"Accessory Dwelling Unit"** means a residential unit of limited size including a smaller second unit that shares an Assessor's Parcel with Single Family Residential Property that has a stand-alone Residential Unit.

**"Acre" or "Acreage"** means the land area of an 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, parcel map, Condominium Plan, or other recorded County parcel map or instrument. The square footage of an Assessor's Parcel is equal to the Acreage multiplied by 43,560.

**"Act"** means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the Government Code of the State of California.

**"Administrative Expenses"** means the following actual or reasonably estimated costs directly related to the administration of CFD No. 2025-1: the costs of computing the Special Taxes and preparing the Special Tax collection schedules (whether by the City or designee thereof or both); the costs of collecting the Special Taxes (whether by the City or otherwise); the costs of remitting Special Taxes to the Trustee; the costs of the Trustee (including legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 2025-1 or any designee thereof of complying with arbitrage rebate requirements; the costs to the City, CFD No. 2025-1 or any designee thereof of complying with disclosure requirements of the City, CFD No. 2025-1 and any major property owner associated with applicable federal and state securities laws and the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs of the City, CFD No. 2025-1 or any designee thereof related to an appeal of the Special Tax; the costs associated with the release of funds from an escrow account; and the City's annual administration fees and third

party expenses. Administration Expenses shall also include amounts estimated by the CFD Administrator or advanced by the City or CFD No. 2025-1 for any other administrative purposes of CFD No. 2025-1, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure of delinquent Special Taxes.

**"Approved Property"** means all Assessor's Parcels of Taxable Property: (i) that are included in a Final Map that was recorded prior to the January 1<sup>st</sup> preceding the Fiscal Year in which the Special Tax is being levied, (ii) that have an assigned Assessor's Parcel Number from the County shown on an Assessor's Parcel Map for the individual lot included on the Final Map, and (iii) that have not been issued a Building Permit on or before May 1<sup>st</sup> preceding the Fiscal Year in which the Special Tax is being levied.

**"Assessor's Parcel"** means a lot or parcel of land designated on an Assessor's Parcel Map with an assigned Assessor's Parcel Number.

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

**"Assessor's Parcel Number"** means that number assigned to an Assessor's Parcel by the County for purposes of identification.

**"Assigned Special Tax"** means the Special Tax of that name described in Section D below.

**"Backup Special Tax"** means the Special Tax of that name described in Section D below.

**"Boundary Map"** means a recorded map of the CFD which indicates the boundaries of the CFD.

**"Building Permit"** means the first legal document issued by a local agency giving official permission for new construction. For purposes of this definition, "Building Permit" may or may not include any subsequent Building Permit document(s) authorizing new construction on an Assessor's Parcel that are issued or changed by the City after the first original issuance, as determined by the CFD Administrator as necessary to fairly allocate Special Tax to the Assessor's Parcel, provided that following such determination the Maximum Special Tax that may be levied in each Fiscal Year on all Assessor's Parcels of Taxable Property will be at least 1.1 times annual debt service on all outstanding CFD No. 2025-1 Bonds plus the estimated annual Administrative Expenses for such Fiscal Year.

**"Building Square Footage"** means the square footage of assessable internal living space, exclusive of garages or other structures not used as living space, as determined by the CFD Administrator by reference to the Building Permit for such Assessor's Parcel or other reliable information.

**"Calendar Year"** means the period commencing January 1 of any year and ending the following December 31.

**"CFD" or "CFD No. 2025-1"** means Community Facilities District No. 2025-1 (Fairway Canyon 4C) of the City of Beaumont established by the City under the Act.

**“CFD Administrator”** means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement, and providing for the levy and collection of the Special Taxes.

**“CFD No. 2025-1 Bonds”** means any obligation to repay a sum of money, including obligations in the form of bonds, notes, certificates of participation, long-term leases, loans from government agencies, or loans from banks, other financial institutions, private businesses, or individuals, or long-term contracts, or any refunding thereof, to which Special Tax of CFD No. 2025-1 have been pledged.

**“City”** means the City of Beaumont, State of California.

**“City Council”** means the City Council of the City of Beaumont, acting as the Legislative Body of CFD No. 2025-1.

**“Condominium Plan”** means a Condominium Plan as set forth in California Civil Code, Section 4285.

**“County”** means the County of Riverside, State of California.

**“Developed Property”** means all Assessor’s Parcels: (i) that are included in a Final Map that was recorded prior to the January 1<sup>st</sup> preceding the Fiscal Year in which the Special Tax is being levied, (ii) that have an Assessor’s Parcel Number from the County shown on an Assessor’s Parcel Map for the individual lot included on the Final Map, and (iii) for which a Building Permit for new construction was issued on or before May 1<sup>st</sup> preceding the Fiscal Year in which the Special Tax is being levied.

**“Exempt Property”** means all Assessor’s Parcels designated as being exempt from Special Taxes as provided for in Section F.

**“Final Map”** means a subdivision of property by recordation of a final map, parcel map, or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a Condominium Plan pursuant to California Civil Code Section 4285 that creates individual lots for which Building Permits may be issued without further subdivision.

**“Fiscal Year”** means the period commencing on July 1<sup>st</sup> of any year and ending the following June 30<sup>th</sup>.

**“Indenture”** means the indenture, fiscal agent agreement, resolution or other instrument pursuant to which CFD No. 2025-1 Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

**“Land Use Category”** means any of the categories listed in Table 1, Table 2, and Table 3 of Section D.

**"Maximum Special Tax"** means for each Assessor's Parcel, the maximum Special Tax, determined in accordance with Section D below, that can be levied by CFD No. 2025-1 in any Fiscal Year on such Assessor's Parcel.

**"Multifamily Property"** means all Assessor's Parcels of Developed Property for which a Building Permit has been issued for the purpose of constructing a building or buildings comprised of attached Residential Units available for rental by the general public, not for sale to an end user, and under common management, as determined by the CFD Administrator.

**"Non-Residential Property"** means all Assessor's Parcels of Developed Property for which a Building Permit(s) was issued or will be issued for a non-residential use. The CFD Administrator shall make the determination if an Assessor's Parcel is Non-Residential Property.

**"Partial Prepayment Amount"** means the amount required to prepay a portion of the Special Tax obligation for an Assessor's Parcel, as described in Section G.2.

**"Prepayment Amount"** means the amount required to prepay the Special Tax obligation in full for an Assessor's Parcel, as described in Section G.1.

**"Proportionately"** means for Taxable Property that is (i) Developed Property, that the ratio of the actual Special Tax levy to the Assigned Special Tax is the same for all Assessor's Parcels of Developed Property, (ii) Approved Property, that the ratio of the actual Special Tax levy to the Maximum Special Tax is the same for all Assessor's Parcels of Approved Property, and (iii) Undeveloped Property, or Provisional Undeveloped Property, that the ratio of the actual Special Tax levy per Acre to the Maximum Special Tax per Acre is the same for all Assessor's Parcels of Undeveloped Property, or Provisional Undeveloped Property, as applicable.

**"Provisional Undeveloped Property"** means all Assessor's Parcels of Taxable Property that would otherwise be classified as Exempt Property pursuant to the provisions of Section F, but cannot be classified as Exempt Property because to do so would be reduce the Acreage of all Taxable Property below the required minimum Acreage set forth in Section F.

**"Rate and Method of Apportionment"** means this Rate and Method of Apportionment of Special Tax for CFD No. 2025-1.

**"Residential Property"** means all Assessor's Parcels of Developed Property for which a Building Permit has been issued for purposes of constructing one or more Residential Units.

**"Residential Unit"** or **"RU"** means a residential unit that is used or intended to be used as a domicile by one or more persons, as determined by the CFD Administrator. An Accessory Dwelling Unit that shares an Assessor's Parcel with a Single Family Residential Property shall not be considered a Residential Unit for purposes of this Rate and Method of Apportionment.

**"Single Family Residential Property"** means all Assessor's Parcels of Residential Property other than Multifamily Property.

**"Special Tax"** or **"Special Taxes"** means any of the special taxes authorized to be levied within CFD No. 2025-1 pursuant to the Act to fund the Special Tax Requirement.

**"Special Tax Requirement "** means the amount required in any Fiscal Year to pay: (i) the debt service or the periodic costs on all outstanding CFD No. 2025-1 Bonds due in the Calendar Year that commences in such Fiscal Year, (ii) Administrative Expenses, (iii) the costs associated with the release of funds from an escrow account, (iv) any amount required to replenish any reserve funds established in association with the CFD No. 2025-1 Bonds, (v) an amount equal to any anticipated shortfall due to Special Tax delinquencies, (vi) for debt service on CFD No. 2025-1 Bonds anticipated to be issued, and (vii) for the collection or accumulation of funds for the acquisition or construction of facilities authorized by CFD No. 2025-1, provided that the inclusion of such amount does not cause an increase in the levy of Special Tax on Approved Property or Undeveloped Property as set forth in Steps Two or Three of Section E., less (vii) any amounts available to pay debt service or other periodic costs on the CFD No. 2025-1 Bonds pursuant to the Indenture.

**"Tax Zone(s)"** means the geographical area(s) within CFD No. 2025-1 identified as Tax Zone 1, Tax Zone 2, or Tax Zone 3 as shown on the Boundary Map.

**"Tax Zone 1"** means all property located within CFD No. 2025-1 identified on the Boundary Map as Tax Zone 1.

**"Tax Zone 2"** means all property located within CFD No. 2025-1 identified on the Boundary Map as Tax Zone 2.

**"Tax Zone 3"** means all property located within CFD No. 2025-1 identified on the Boundary Map as Tax Zone 3.

**"Taxable Property"** means all Assessor's Parcels within CFD No. 2025-1 which are not Exempt Property.

**"Taxable Unit"** means either a Residential Unit or an Acre.

**"Trustee"** means the trustee, fiscal agent, or paying agent under the Indenture.

**"Undeveloped Property"** means all Assessor's Parcels of Taxable Property which are not Developed Property, Approved Property, or Provisional Undeveloped Property.

## **B. SPECIAL TAX**

Commencing Fiscal Year 2026-2027 and for each subsequent Fiscal Year, the City Council shall levy Special Taxes on all Taxable Property, up to the applicable Maximum Special Tax, to fund the Special Tax Requirement.

## **C. ASSIGNMENT TO LAND USE CATEGORY FOR SPECIAL TAX**

Each Fiscal Year, beginning with Fiscal Year 2026-2027, each Assessor's Parcel within CFD No. 2025-1 shall be classified as Taxable Property or Exempt Property. In addition, each Assessor's Parcel of Taxable Property shall be further classified as Developed Property, Approved Property, Undeveloped Property or Provisional Undeveloped Property. In addition,

each Assessor's Parcel of Developed Property, Approved Property, Undeveloped Property or Provisional Undeveloped Property shall be further classified as being within Tax Zone 1, Tax Zone 2, or Tax Zone 3.

Assessor's Parcels of Developed Property shall further be classified as Residential Property or Non-Residential Property. Each Assessor's Parcel of Residential Property shall further be classified as Single Family Residential Property or Multifamily Property. Each Assessor's Parcel of Single Family Residential Property shall be further categorized into Land Use Categories based on its Building Square Footage and assigned to its appropriate Assigned Special Tax rate.

In the event that an Assessor's Parcel for which one or more Building Permits have been issued and the County has not yet assigned final Assessor's Parcel Number(s) to the Residential Unit(s) (in accordance with the Final Map or Condominium Plan) on such Assessor's Parcel, the amount of the Special Tax levy on such Assessor's Parcel for each Fiscal Year shall be determined as follows: (1) the CFD Administrator shall first determine an amount of the Maximum Special Tax levy for such Assessor's Parcel, based on the classification of such Assessor's Parcel as Undeveloped Property; (2) the amount of the Special Tax levy for the Residential Units on such Assessor's Parcel for which Building Permits have been issued shall be determined based on the Assigned Special Tax rates for Developed Property and shall be taxed as Developed Property in accordance with Step 1 of Section E below; and (3) the amount of the Special Tax levy on the Acreage of Taxable Property in such Assessor's Parcel not subject to the Special Tax levy in clause (2) shall be equal to: (A) the percentage of the Maximum Special Tax rate levied on all other Undeveloped Property multiplied by the total of the amount determined in clause (1), less the amount determined in clause (2).

#### **D. MAXIMUM SPECIAL TAX**

##### **1. Developed Property**

The Maximum Special Tax for each Assessor's Parcel of Single Family Residential Property in any Fiscal Year shall be the greater of (i) the Assigned Special Tax or (ii) the Backup Special Tax.

The Maximum Special Tax for each Assessor's Parcel of Non-Residential or Multifamily Property shall be the applicable Assigned Special Tax described in Table 1, Table 2 or Table 3 of Section D.

##### **a. Assigned Special Tax**

Each Fiscal Year, each Assessor's Parcel of Single Family Residential Property, Multifamily Property or Non-Residential shall be subject to an Assigned Special Tax. The Assigned Special Tax applicable to an Assessor's Parcel of Developed Property shall be determined pursuant to Table 1, Table 2, or Table 3 below.

#### **TABLE 1 ASSIGNED SPECIAL TAX FOR DEVELOPED PROPERTY WITHIN TAX ZONE 1 (FISCAL YEAR 2026-2027)**

| <b>Land Use Category</b>              | <b>Taxable Unit</b> | <b>Building Square Footage</b> | <b>Assigned Special Tax Per Taxable Unit</b> |
|---------------------------------------|---------------------|--------------------------------|--|
| 1. Single Family Residential Property | RU                  | Less than 2,100 sq. ft         | \$576.00                                     |
| 2. Single Family Residential Property | RU                  | 2,100 sq. ft to 2,300 sq. ft   | \$592.00                                     |
| 3. Single Family Residential Property | RU                  | Greater than 2,300 sq. ft      | \$617.00                                     |
| 4. Multifamily Property               | Acre                | N/A                            | \$5,049.00                                   |
| 5. Non-Residential Property           | Acre                | N/A                            | \$5,049.00                                   |

**TABLE 2  
ASSIGNED SPECIAL TAX FOR DEVELOPED PROPERTY  
WITHIN TAX ZONE 2  
(FISCAL YEAR 2026-2027)**

| <b>Land Use Category</b>              | <b>Taxable Unit</b> | <b>Building Square Footage</b> | <b>Assigned Special Tax Per Taxable Unit</b> |
|---------------------------------------|---------------------|--------------------------------|--|
| 1. Single Family Residential Property | RU                  | Less than 2,000 sq. ft         | \$664.00                                     |
| 2. Single Family Residential Property | RU                  | Greater than 2,000 sq. ft      | \$674.00                                     |
| 3. Multifamily Property               | Acre                | N/A                            | \$5,275.00                                   |
| 4. Non-Residential Property           | Acre                | N/A                            | \$5,275.00                                   |

**TABLE 3  
ASSIGNED SPECIAL TAX FOR DEVELOPED PROPERTY  
WITHIN TAX ZONE 3  
(FISCAL YEAR 2026-2027)**

| <b>Land Use Category</b>              | <b>Taxable Unit</b> | <b>Building Square Footage</b> | <b>Assigned Special Tax Per Taxable Unit</b> |
|---------------------------------------|---------------------|--------------------------------|--|
| 1. Single Family Residential Property | RU                  | Less than 2,600 sq. ft         | \$603.00                                     |
| 2. Single Family Residential Property | RU                  | 2,600 sq. ft to 3,000 sq. ft   | \$656.00                                     |
| 3. Single Family Residential Property | RU                  | Greater than 3,000 sq. ft      | \$682.00                                     |
| 4. Multifamily Property               | Acre                | N/A                            | \$3,827.00                                   |
| 5. Non-Residential Property           | Acre                | N/A                            | \$3,827.00                                   |

b. Multiple Land Use Categories

In some instances an Assessor's Parcel of Developed Property may contain more than one Land Use Category. The Maximum Special Tax levied on an Assessor's Parcel shall be the sum of the Maximum Special Tax for all Land Use Categories located on the Assessor's Parcel. The CFD Administrator's allocation to each type of property shall be final.

c. Backup Special Tax

When a Final Map is recorded, the CFD Administrator shall determine which Tax Zone the Final Map area lies within and the Backup Special Tax for an Assessor's Parcel within the Final Map classified or to be classified as Single Family Property shall be calculated according to the following formula.

$$B = (U \times A) / L$$

The terms above have the following meanings:

B = Backup Special Tax per per Assessor's Parcel within the Final Map

U = Maximum Special Tax per Acre of Undeveloped Property per Section D.3 below

A = Acreage of Single Family Residential Property expected to exist in such Final Map at the time of calculation, as determined by the CFD Administrator

L = Number of Residential Units expected to exist in such Final Map at the time of calculation, as determined by the CFD Administrator.

In the event any portion of the Final Map is changed or modified, the Backup Special Tax for all Assessor's Parcels within such changed or modified area shall be determined by Table 4 below:

**TABLE 4  
MAXIMUM SPECIAL TAX PER ACRE  
(FISCAL YEAR 2026-2027)**

| <b>Tax Zone</b> | <b>Maximum Special Tax per Acre</b> |
|-----------------|-------------------------------------|
| 1               | \$5,049                             |
| 2               | \$5,275                             |
| 3               | \$3,827                             |

In the event any superseding Final Map is recorded as a Final Map within the boundaries of the CFD, the Backup Special Tax for all Assessor's Parcels within such Final Map shall be on the rate per Acre shown in the table above. The Backup Special Tax shall not apply to Multifamily Residential Property or Non-Residential Property.

**2. Approved Property**

The Maximum Special Tax for each Assessor's Parcel of Approved Property expected to be classified as Single Family Property shall be the Backup Special Tax computed pursuant to Section D.1.c above.

The Maximum Special Tax for each Assessor's Parcel of Approved Property expected to be classified as Multifamily Property or Non-Residential Property shall be \$5,049 per Acre for Tax Zone 1, \$5,275 per Acre for Tax Zone 2, and \$3,827 per Acre for Tax Zone 3.

**3. Undeveloped Property and Provisional Undeveloped Property that is not Exempt Property pursuant to the provisions of Section F**

The Maximum Special Tax for each Assessor's Parcel of Undeveloped Property and Provisional Undeveloped Property that is not Exempt Property shall be equal to the product of \$5,049 per Acre for Tax Zone 1, \$5,275 per Acre for Tax Zone 2, and \$3,827 per Acre for Tax Zone 3, in each case multiplied by the Acreage of such Assessor's Parcel.

**E. METHOD OF APPORTIONMENT OF THE SPECIAL TAX**

Commencing Fiscal Year 2026-2027 and for each subsequent Fiscal Year, the City Council shall levy Special Taxes on all Taxable Property in accordance with the following steps:

Step One: The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Assigned Special Tax rate to satisfy the Special Tax Requirement.

Step Two: If additional moneys are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Approved Property at up to 100% of the Maximum Special Tax applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement.

Step Three: If additional moneys are needed to satisfy the Special Tax Requirement after the first two steps have been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Maximum Special Tax applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement.

Step Four: If additional moneys are needed to satisfy the Special Tax Requirement after the first three steps have been completed, then the Special Tax levy on each Assessor's Parcel of Developed Property for which the Maximum Special Tax is the Backup Special Tax shall be increased Proportionately from the Assigned Special Tax up to 100% of the Backup Special Tax as needed to satisfy the Special Tax Requirement.

Step Five: If additional moneys are needed to satisfy the Special Tax Requirement after the first four steps have been completed, the Special Tax shall be levied Proportionately on each Assessor's Parcel of Provisional Undeveloped Property up to 100% of the Maximum Special Tax applicable to each such Assessor's Parcel as needed to satisfy the Special Tax Requirement.

Notwithstanding the above, under no circumstances will the Special Taxes levied in any Fiscal Year against any Assessor’s Parcel of Residential Property as a result of a delinquency in the payment of the Special Tax applicable to any other Assessor’s Parcel be increased by more than ten percent (10%) above the amount that would have been levied in that Fiscal Year had there never been any such delinquency or default.

**F. EXEMPTIONS**

The City shall classify as Exempt Property, in the following order of priority, (i) Assessor’s Parcels which are owned by, irrevocably offered for dedication, encumbered by or restricted in use by the State of California, Federal or other local governments, including school districts, (ii) Assessor’s Parcels which are used as places of worship and are exempt from *ad valorem* property taxes because they are owned by a religious organization, (iii) Assessor’s Parcels which are owned by, irrevocably offered for dedication, encumbered by or restricted in use by a homeowners' association, (iv) Assessor’s Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement, (v) Assessor’s Parcels which are privately owned and are encumbered by or restricted solely for public uses, or (vi) Assessor’s Parcels restricted to other types of public uses determined by the City Council, provided that no such classification would reduce the total Acreage of all Taxable Property to less than the amounts shown in Table 5 below.

**TABLE 5  
MINIMUM TAXABLE ACRES**

| <b>Tax Zone</b> | <b>Acres</b> |
|-----------------|--------------|
| 1               | 8.33         |
| 2               | 15.86        |
| 3               | 28.55        |

Notwithstanding the above, the City Council shall not classify an Assessor’s Parcel as Exempt Property if such classification would reduce the total Acreage of all Taxable Property to less than the Acres shown in Table 5 per Tax Zone. Assessor's Parcels which cannot be classified as Exempt Property because such classification would reduce the Acreage of all Taxable Property to less than the Acres shown in Table 5 per Tax Zone will be classified as Provisional Undeveloped Property, and will be subject to Special Tax pursuant to Step Five in Section E.

**G. PREPAYMENT OF SPECIAL TAX**

The following additional definitions apply to this Section G:

**“CFD Public Facilities”** means \$3,000,000 expressed in 2025 dollars, which shall increase by the Construction Inflation Index on July 1, 2026, and on each July 1 thereafter, or such lower amount (i) determined by the City Council as sufficient to provide the public facilities under the authorized bonding program for CFD No. 2025-1, or (ii) determined by the City Council concurrently with a covenant that it will not issue any more CFD No. 2025-1 Bonds to be supported by Special Tax levied under this Rate and Method of Apportionment.

**“Construction Fund”** means an account specifically identified in the Indenture or functionally equivalent to hold funds, which are currently available for expenditure to acquire or construct public facilities eligible to be financed by CFD No. 2025-1.

**“Construction Inflation Index”** means the annual percentage change in the Engineering News-Record Building Cost Index for the City of Los Angeles, measured as of the Calendar Year which ends in the previous Fiscal Year. In the event this index ceases to be published, the Construction Inflation Index shall be another index as determined by the City that is reasonably comparable to the Engineering News-Record Building Cost Index for the City of Los Angeles.

**“Future Facilities Costs”** means the CFD Public Facilities minus (i) public facility costs previously funded from the Construction Fund, (ii) public facility costs available to be funded through existing construction or escrow accounts funded by the Outstanding Bonds, and minus (iii) public facility costs funded by interest earnings on the Construction Fund actually earned prior to the date of prepayment, provided such amount shall not be less than zero.

**“Outstanding Bonds”** means all previously issued CFD No. 2025-1 Bonds issued and secured by the levy of Special Tax which will remain outstanding after the first interest and/or principal payment date following the current Fiscal Year, excluding CFD No. 2025-1 Bonds to be redeemed at a later date with the proceeds of prior prepayments of Special Tax.

## **1. Prepayment in Full**

The Maximum Special Tax obligation may be prepaid and permanently satisfied for (i) Assessor’s Parcels of Developed Property, (ii) Assessor’s Parcels of Approved Property or Undeveloped Property for which a Building Permit has been issued, (iii) Approved Property or Undeveloped Property for which a Building Permit has not been issued and (iv) Assessor’s Parcels of Provisional Undeveloped Property that are not Exempt Property pursuant to Section F. The Maximum Special Tax obligation applicable to an Assessor’s Parcel may be fully prepaid and the obligation to pay the Special Tax for such Assessor’s Parcel permanently satisfied as described herein; provided that a prepayment may be made only if there are no delinquent Special Taxes with respect to such Assessor’s Parcel at the time of prepayment. An owner of an Assessor’s Parcel intending to prepay the Maximum Special Tax obligation for such Assessor’s Parcel shall provide the CFD Administrator with written notice of intent to prepay, and within 5 business days of receipt of such notice, the CFD Administrator shall notify such owner of the amount of the non-refundable deposit determined to cover the cost to be incurred by the CFD in calculating the Prepayment Amount (as defined below) for the Assessor’s Parcel. Within 15 days of receipt of such non-refundable deposit, the CFD Administrator shall notify such owner of the Prepayment Amount for the Assessor’s Parcel. Prepayment must be made not less than 60 days prior to the redemption date for any Outstanding Bonds to be redeemed with the proceeds of such prepaid Special Taxes.

The Prepayment Amount (defined below) shall be calculated as follows (capitalized terms are defined below):

|         |                                  |
|---------|----------------------------------|
|         | Bond Redemption Amount           |
| plus    | Redemption Premium               |
| plus    | Future Facilities Amount         |
| plus    | Defeasance Amount                |
| plus    | Administrative Fees and Expenses |
| less    | Reserve Fund Credit              |
| Equals: | Prepayment Amount                |

The Prepayment Amount shall be determined as of the proposed prepayment date as follows:

1. Confirm that no Special Tax delinquencies apply to such Assessor's Parcel.
2. For an Assessor's Parcel of Developed Property, compute the Maximum Special Tax for the Assessor's Parcel. For an Assessor's Parcel of Approved Property or Undeveloped Property for which a Building Permit has been issued, compute the Maximum Special Tax for the Assessor's Parcel as though it was already designated as Developed Property, based upon the Building Permit which has been issued for the Assessor's Parcel. For an Assessor's Parcel of Approved Property or Undeveloped Property for which a Building Permit has not been issued or Provisional Undeveloped Property to be prepaid compute the Maximum Special Tax for the Assessor's Parcel.
3. Divide the Maximum Special Tax derived pursuant to paragraph 2 by the total amount of Special Taxes that could be levied at the Maximum Special Tax at build out of all Assessor's Parcels of Taxable Property based on the applicable Maximum Special Tax for Assessor's Parcels of Developed Property not including any Assessor's Parcels for which the Special Tax obligation has been previously prepaid.
4. Multiply the quotient derived pursuant to paragraph 3 by the principal amount of the Outstanding Bonds to determine the amount of Outstanding Bonds to be redeemed with the Prepayment Amount (the "Bond Redemption Amount").
5. Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed (the "Redemption Premium").
6. Determine the Future Facilities Costs.
7. Multiply the quotient derived pursuant to paragraph 3 by the amount determined pursuant to paragraph 6 to determine the amount of Future Facilities Costs for the Assessor's Parcel (the "Future Facilities Amount").
8. Determine the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds on which Outstanding Bonds can be redeemed from Special Tax prepayments.

9. Determine the Special Taxes levied on the Assessor's Parcel in the current Fiscal Year which have not yet been paid.

10. Determine the amount the CFD Administrator reasonably expects to derive from the investment of the Bond Redemption Amount and the Redemption Premium from the date of prepayment until the redemption date for the Outstanding Bonds to be redeemed with the Prepayment Amount.

11. Add the amounts derived pursuant to paragraphs 8 and 9 and subtract the amount derived pursuant to paragraph 10 (the "Defeasance Amount").

12. Verify the administrative fees and expenses of the CFD, including the cost of computation of the Prepayment Amount, the cost to invest the Prepayment Amount, the cost of redeeming the Outstanding Bonds, and the cost of recording notices to evidence the prepayment of the Maximum Special Tax obligation for the Assessor's Parcel and the redemption of Outstanding Bonds (the "Administrative Fees and Expenses").

13. The reserve fund credit (the "Reserve Fund Credit") shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture), if any, associated with the redemption of Outstanding Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture) in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero.

14. The Prepayment Amount is equal to the sum of the Bond Redemption Amount, the Redemption Premium, the Future Facilities Amount, the Defeasance Amount and the Administrative Fees and Expenses, less the Reserve Fund Credit.

15. From the Prepayment Amount, the Bond Redemption Amount, the Redemption Premium, and Defeasance Amount shall be deposited into the appropriate fund as established under the Indenture and be used to redeem Outstanding Bonds or make debt service payments. The Future Facilities Amount shall be deposited into the Construction Fund. The Administrative Fees and Expenses shall be retained by CFD No. 2025-1.

The Prepayment Amount may be sufficient to redeem other than a \$5,000 increment of Outstanding Bonds. In such event, the increment above \$5,000 or an integral multiple thereof will be retained in the appropriate fund established under the Indenture to be used with the next redemption from other Special Tax prepayments of Outstanding Bonds or to make debt service payments.

As a result of the payment of the current Fiscal Year's Special Tax levy as determined pursuant to paragraph 9 above, the CFD Administrator shall remove the current Fiscal Year's Special Tax levy for the Assessor's Parcel from the County tax roll. With respect to any Assessor's Parcel for which the Maximum Special Tax obligation is prepaid, the City Council shall cause a suitable notice to be recorded in compliance with the Act, to indicate the prepayment of Maximum Special Tax obligation and the release of the Special Tax lien for the Assessor's Parcel, and the obligation to pay the Special Tax for such Assessor's Parcel shall cease.

Notwithstanding the foregoing, no Special Tax prepayment shall be allowed unless the amount of Maximum Special Tax that may be levied each Fiscal Year on all Assessor's Parcels of Taxable Property after the proposed prepayment will be at least 1.1 times annual debt service for such Fiscal Year on the Outstanding Bonds that will remain outstanding after the prepayment plus the estimated annual Administrative Expenses.

Tenders of Outstanding Bonds in prepayment of the Maximum Special Tax obligation may be accepted upon the terms and conditions established by the City Council pursuant to the Act. However, the use of Outstanding Bond tenders shall only be allowed on a case-by-case basis as specifically approved by the City Council.

## **2. Prepayment in Part**

The Maximum Special Tax obligation for an Assessor's Parcel of Developed Property, Approved Property or Undeveloped Property may be partially prepaid. For purposes of determining the partial prepayment amount, the provisions of Section G.1 shall be modified as provided by the following formula:

$$PP = ((P_E - A) \times F) + A$$

These terms have the following meaning:

PP = Partial Prepayment Amount

$P_E$  = the Prepayment Amount calculated according to Section G.1

F = the percent by which the owner of the Assessor's Parcel(s) is partially prepaying the Maximum Special Tax obligation

A = the Administrative Fees and Expenses determined pursuant to Section G.1

The owner of an Assessor's Parcel who desires to partially prepay the Maximum Special Tax obligation for the Assessor's Parcel shall notify the CFD Administrator of (i) such owner's intent to partially prepay the Maximum Special Tax obligation, (ii) the percentage of the Maximum Special Tax obligation such owner wishes to prepay, and (iii) the company or agency that will be acting as the escrow agent, if any. Within 5 days of receipt of such notice, the CFD Administrator shall notify such property owner of the amount of the non-refundable deposit determined to cover the cost to be incurred by the CFD in calculating the amount of a partial prepayment. Within 15 business days of receipt of such non-refundable deposit, the CFD Administrator shall notify such owner of the amount of the Partial Prepayment Amount for the Assessor's Parcel. A Partial Prepayment Amount must be made not less than 60 days prior to the redemption date for the Outstanding Bonds to be redeemed with the proceeds of the Partial Prepayment Amount.

With respect to any Assessor's Parcel for which the Maximum Special Tax obligation is partially prepaid, the CFD Administrator shall (i) distribute the Partial Prepayment Amount as provided in Paragraph 15 of Section G.1, and (ii) indicate in the records of the CFD that there has been a Partial Prepayment for the Assessor's Parcel and that a portion of the Maximum Special Tax obligation equal to the remaining percentage (1.00 - F) of the Maximum Special Tax obligation will continue to be levied on the Assessor's Parcel pursuant to Section E.

## **H. TERMINATION OF SPECIAL TAX**

For each Fiscal Year that any CFD No. 2025-1 Bonds are outstanding the Special Tax shall be levied on all Assessor's Parcels subject to the Special Tax. The Special Tax shall cease not later than the 2067-2068 Fiscal Year, however, Special Tax will cease to be levied in an earlier Fiscal Year if the CFD Administrator has determined (i) that all the required interest and principal payments on the CFD No. 2025-1 Bonds have been paid; (ii) all authorized facilities of CFD No. 2025-1 have been acquired and all reimbursements to the developer have been paid, (iii) no delinquent Special Taxes remain uncollected and (iv) all other obligations of CFD No. 2025-1 have been satisfied.

#### **I. MANNER OF COLLECTION**

The Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes, provided, however, that CFD No. 2025-1 may collect Special Taxes at a different time or in a different manner if necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on delinquent Assessor's Parcels as permitted by the Act.

#### **J. APPEALS OF SPECIAL TAXES**

Any taxpayer may file a written appeal of the Special Taxes on his/her Assessor's Parcel(s) with the CFD Administrator, provided that the appellant is current in his/her payments of Special Taxes. During pendency of an appeal, all Special Taxes previously levied must be paid on or before the payment date established when the levy was made. The appeal must specify the reasons why the appellant claims the Special Tax is in error. The CFD Administrator shall review the appeal, meet with the appellant if the CFD Administrator deems necessary, and advise the appellant of its determination. If the CFD Administrator agrees with the appellant, the CFD Administrator shall grant a credit to eliminate or reduce future Special Taxes on the appellant's Assessor's Parcel(s). No refunds of previously paid Special Taxes shall be made.

The CFD Administrator shall interpret this Rate and Method of Apportionment and make determinations relative to the annual levy and administration of the Special Taxes and any taxpayer who appeals, as herein specified.



**S P I C E R**  

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