

**RESOLUTION NO. 2024 - 42**

**A RESOLUTION OF THE CITY COUNCIL OF COACHELLA DECLARING ITS INTENTION TO ESTABLISH CITY OF COACHELLA COMMUNITY FACILITIES DISTRICT NO. 2024-1 (PUBLIC SERVICES) AND TO AUTHORIZE THE LEVY OF A SPECIAL TAX THEREIN TO FINANCE CERTAIN SERVICES**

WHEREAS, the CITY COUNCIL of the CITY OF COACHELLA, CALIFORNIA (the “City Council”), has determined that it is necessary and desirable to create a community facilities district pursuant to the terms and 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 (the “Act”), as amended, for the purpose of financing park maintenance, landscaping and lighting maintenance, drainage maintenance and street maintenance; and

WHEREAS, the Act authorizes the City Council to establish a community facilities district and to levy special taxes within the community facilities district; and

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF COACHELLA AS FOLLOWS:

1. Recitals. The above recitals are all true and correct.
2. Initiation of Proceedings. The City Council hereby declares its intention to conduct proceedings for the formation of a community facilities district pursuant to the provisions of the Act.
3. Name of CFD. The proposed community facilities district shall be known and designated as “City of Coachella Community Facilities District No. 2024-1 (Public Services)” (the “CFD”)
4. Boundaries of CFD. A description of the exterior boundaries of the territory proposed for inclusion in the CFD, including properties and parcels of land proposed to be subject to the levy of a special tax by the CFD, is as shown on the boundary map designated as “PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2024-1 (PUBLIC SERVICES),” which is on file in the office of the City Clerk and is attached hereto as Exhibit A and hereby incorporated by reference.
5. Description of Services. It is the intention of this City Council to finance certain services described below (the “Services”). The City Council hereby finds that the Services are in addition to those provided in the territory within the CFD prior to the establishment of the CFD and that such Services will not supplant services already available within that territory. A general description of the services to be provided is as follows:

Landscaping and Lighting Maintenance: includes the labor, material, administration, personnel, equipment and utilities (i.e., water and power) necessary to maintain public landscaping and lighting improvements for, within, or associated with the CFD, including trees, turf, ground cover, shrubs, weed removal, irrigation systems, sidewalk, drainage facilities, lighting, signs, monuments, graffiti removal, walkways, and associated appurtenant facilities located within, or associated with, the CFD.

Park Maintenance: includes the estimated and reasonable costs of providing public park maintenance for, within, or associated with the CFD, including but not limited to (i) the costs of contracting for park maintenance services, including trees, plant material, restrooms, irrigation systems, sidewalks, drainage facilities, weed control, lighting, and parking lot maintenance, (ii) the salaries and benefits of City staff, including maintenance staff, that directly provide park maintenance services, (iii) the expense related to equipment, apparatus, and supplies related to these services and authorized by the Act, (iv) utility costs such as water, sewer, lighting and power and (v) City overhead costs associated with providing such services.

Drainage Maintenance: includes the labor, material, testing, reporting, remediation, permitting, general administration, personnel, equipment and utilities necessary to maintain public drainage improvements for, within, or associated with the CFD, including drain inlets, filters, detention basin, storm drain pipeline, and associated appurtenant facilities located within, or associated with, the CFD.

Street Maintenance: includes the labor, material, administration, personnel, equipment and utilities necessary to maintain public streets, streetlights and associated appurtenant facilities for, within, or associated with the CFD, including City overhead costs associated with providing such services within the CFD.

The cost of the Services shall include incidental expenses, including, but not limited to, the costs associated with forming the CFD, determination of the amount of the Special Taxes, collection of the Special Taxes, payment of the Special Taxes, and costs incurred in order to carry out the authorized purposes of the CFD.

All Services shall be provided by the City of Coachella, with its own forces or by contract with third parties, or any combination thereof, to be determined entirely by the City of Coachella.

Nothing in this description of Services or any Resolution of the City Council shall be construed as committing the City or the CFD to provide all of the authorized Services. The provision of Services shall be subject to the successful formation of the CFD and the availability of sufficient proceeds of special taxes within the CFD. The City may annually prioritize, at its discretion, the authorized Services that would be funded and the amount of the special tax proceeds that it will use for each Service.

6. Special Tax. It is hereby further proposed that, except where funds are otherwise available to pay for the Services, a special tax sufficient to pay for such Services and related

incidental expenses authorized by the Act (the “Special Tax” or “Special Taxes”), secured by recordation of a continuing lien against all non-exempt real property in the CFD, will be levied annually within the boundaries of the CFD. Under no circumstances will the Special Tax authorized to be levied within the CFD be increased as a consequence of delinquency or default by the owner of any other parcel or parcels used for private residential purposes and located within the CFD by more than 10 percent. For further particulars as to the rate and method of apportionment of the Special Tax proposed to be levied within the CFD, reference is made to the attached and incorporated Exhibit B, which sets forth in sufficient detail the rate and method of apportionment of the Special Tax among parcels of real property in the CFD (the “Rate and Method”) to allow each landowner or resident within the CFD to clearly estimate the maximum amount that such person will have to pay for such Services. The City Council hereby determines the Rate and Method set forth in Exhibit B to be reasonable.

The Special Taxes herein authorized, to the extent possible, shall be collected in the same manner as ad valorem property taxes and shall be subject to the same penalties, procedure, sale and lien priority in any case of delinquency as applicable for ad valorem taxes, or shall be collected in such other manner as may be provided by the City Council. Any Special Taxes that may not be collected on the County tax roll shall be collected through a direct billing procedure by the City’s Finance Director or duly appointed officer or agent of the City of Coachella, as appointed by the City Council.

7. Public Hearing. Notice is given that on September 11, 2024, at the hour of 6:00 p.m. (or as soon thereafter as practical), in the regular meeting place of the City Council being the City Hall Council Chambers, located at 1515 Sixth Street, Coachella CA 92236, a public hearing will be held where this City Council will consider the establishment of the proposed CFD, the extent of the CFD, the furnishing of the Services within the CFD, and the proposed Rate and Method, and all other matters as set forth in this resolution of intention. At the above-mentioned time and place for public hearing any persons interested, including taxpayers, persons registered to vote within the CFD, and property owners, may appear and be heard. The testimony of all interested persons for or against the establishment of the CFD, the extent of the CFD, or the furnishing of the Services will be heard and considered. Any protests may be made orally or in writing. However, any protests pertaining to the regularity or sufficiency of the proceedings shall be in writing and clearly set forth the irregularities and defects to which the objection is made. All written protests shall be filed with the City Clerk of the City Council on or before the time fixed for the public hearing. Written protests may be withdrawn in writing at any time before the conclusion of the public hearing.

If a written majority protest against the establishment of the CFD is filed (as determined in accordance with Section 53324 of the Act), the proceedings shall be abandoned. If such majority protest is limited to certain services or portions of the Special Tax, those services or that tax shall be eliminated by the City Council.

The public hearing may be continued from time to time, but shall be completed within 30 days, except that if the City Council finds that the complexity of the CFD or the need for

public participation requires additional time, the public hearing may be continued from time to time for a period not to exceed 6 months.

At the public hearing, the City Council may modify this resolution by eliminating any of the Services, or by changing the method of apportionment of the special tax so as to reduce the maximum special tax for all or a portion of the owners of property within the CFD, or by removing any territory from the CFD. At the conclusion of the public hearing, the City Council may abandon these proceedings or may, after passing upon all protests, determine to proceed with establishing the CFD.

8. Election. If, following the public hearing described in Section 7 above, the City Council determines to establish the CFD and proposes to levy the Special Tax within the CFD, the City Council shall then submit the levy of the Special Taxes to the qualified electors of the CFD. The vote shall be by the landowners of the CFD with each landowner or the authorized representative thereof, having one (1) vote for each acre or portion of an acre of land owned within the CFD.

The election shall be conducted by the City Clerk, and shall be held on a date selected by the City Council in conformance with the provisions of Section 53326 of the California Government Code and pursuant to the provisions of the California Elections Code, insofar as they may be applicable. Pursuant to said Section 53326 the ballots for the election shall be distributed to the qualified electors of the CFD by mail with return postage prepaid or by personal service, and the special election shall be conducted as a mail ballot election.

A successful election relating to the Special Tax authorization shall, as applicable, establish the appropriations limit as authorized by Article XIII B of the California Constitution as it is applicable to the CFD.

9. Notice. Notice of the time and place of the public hearing shall be given by the City Clerk by causing a Notice of Public Hearing to be published in the legally designated newspaper of general circulation, such publication pursuant to Section 6061 of the Government Code, with such publication to be completed at least seven (7) days prior to the date set for the public hearing. In addition, notice of the time and place of said hearing shall also be given by first-class mail to each registered voter and to each landowner within the proposed CFD as prescribed by Section 53322.4 of said Act. Said notice shall be published at least seven (7) days [and mailed at least fifteen (15) days before the date of the hearing,] and shall contain the information required by said Section 53322 of the Act.
10. Exempt Properties. Except as provided in Section 53340.1 of the Act and except for properties that a local agency is a landowner of within the meaning of subdivision (f) of Section 53317 of the Act, pursuant to Section 53340 of the California Government Code, properties of entities of the state, federal, and local governments shall be exempt from the levy of Special Taxes for the financing of the Services of the proposed CFD. Reference is hereby made to the Rate and Method for a description of other properties or entities that are expressly exempted from the levy of the Special Taxes.

11. Necessity. The City Council finds that the proposed Services described in Section 5 hereof are necessary to meet increased demands placed upon the City as a result of new development occurring within the boundaries of the proposed CFD.
12. Annexation of Territory. Other property may be annexed into the CFD pursuant to the provisions of the Act.
13. Public Interest. Pursuant to Section 53329.5(c) of the Act, the City Council finds, in its opinion, the public interest will not be served by allowing property owners in the CFD to enter into a contract pursuant to Section 53329.5(a) of the Act.
14. Advances. The City or CFD may accept advances of funds or work-in-kind from any source, including, but not limited to, private persons or private entities, and is authorized and directed to use such funds or that work-in-kind for any authorized purpose, including, but not limited to, paying any cost incurred by the City in creating the CFD. The City or CFD 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.
15. Reports. A report (the “CFD Report”) shall be prepared and presented to the City Council, containing a full and complete description of the public services proposed to be financed from the levy of special taxes, a general cost estimate setting forth costs of providing such services, and further information regarding the implementation of the rate and method of apportionment of the special tax proposed to be levied. The Report, upon its preparation, shall be submitted to the City Council for review, and the Report shall be made a part of the record of the public hearing.

**PASSED, APPROVED and ADOPTED** this 24<sup>th</sup> day of July, 2024 by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Steven Hernandez, Mayor  
City of  
Coachella

ATTEST:

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Angela M. Zepeda, City Clerk  
City of Coachella

I hereby certify that the foregoing is a true and correct copy of a resolution, being Resolution No. 2024-42, duly passed and adopted at a meeting of the City Council of the City of Coachella, California, held on July 24 2024.

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Delia Granados, Deputy City Clerk  
City of Coachella

APPROVED AS TO FORM:

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Carlos L. Campos, City Attorney  
City of Coachella

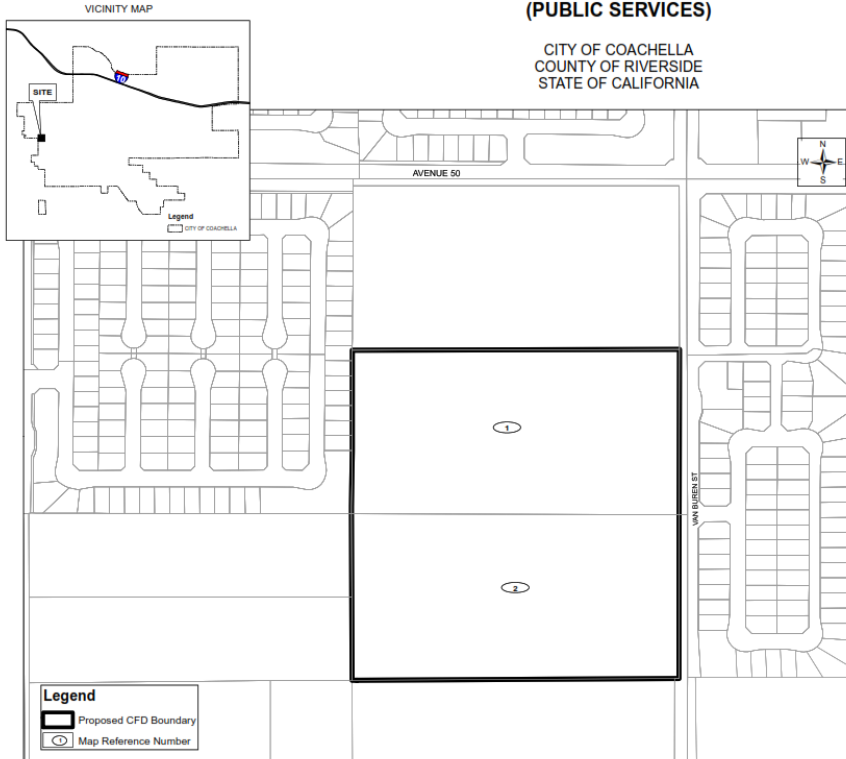
# Exhibit A

## City of Coachella Community Facilities District No. 2024-1 (Public Services) Boundary Map

### MAP OF PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2024-1 (PUBLIC SERVICES)

SHEET 1 OF 1

CITY OF COACHELLA  
COUNTY OF RIVERSIDE  
STATE OF CALIFORNIA



FILED IN THE OFFICE OF THE CITY CLERK THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_.

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2024-1 (PUBLIC SERVICES), CITY OF COACHELLA, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF COACHELLA AT A REGULAR MEETING THEREOF, HELD ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_ BY ITS RESOLUTION NO. \_\_\_\_\_.

CITY CLERK  
CITY OF COACHELLA

FILED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_, AT THE HOUR OF \_\_\_\_\_ O'CLOCK \_\_\_\_\_ M. IN BOOK \_\_\_\_\_ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGES \_\_\_\_\_ IN THE OFFICE OF THE COUNTY RECORDER, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

PETER ALDANA, ASSESSOR-COUNTY CLERK-RECORDER

BY DEPUTY  
COUNTY RECORDER  
COUNTY OF RIVERSIDE  
STATE OF CALIFORNIA

THE LINES AND DIMENSIONS OF EACH LOT OR PARCEL SHOWN ON THIS DIAGRAM SHALL BE THOSE LINES AND DIMENSIONS AS SHOWN ON THE RIVERSIDE COUNTY ASSESSOR'S MAPS FOR THOSE PARCELS LISTED.

THE RIVERSIDE COUNTY ASSESSOR'S MAPS SHALL GOVERN FOR ALL DETAILS CONCERNING THE LINES AND DIMENSIONS OF SUCH LOTS OR PARCELS.

MAP REFERENCE NUMBER	ASSESSOR'S PARCEL NUMBER
1	779-280-002
2	779-320-001





## Exhibit B

### City of Coachella Community Facilities District No. 2024-1 (Public Services) Rate and Method of Apportionment

A Special Tax of City of Coachella Community Facilities District No. 2024-1 (Public Services) (“CFD”) shall be levied on all Assessor's Parcels within the CFD and collected each Fiscal Year commencing in Fiscal Year 2024/25 in an amount determined by the Special Tax Administrator through the application of the rate and method of apportionment of the Special Tax set forth below. All of the real property in the CFD, unless exempted by law or by the provisions hereof, 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:

“**Act**” means the Mello-Roos Community Facilities Act of 1982, being Chapter 2.5, Part 1, Division 2 of Title 5 of the Government Code of the State of California, as amended.

“**Administrative Expenses**” means the following actual or reasonably estimated costs incurred by the City as administrator of the CFD, provided that such costs are directly related to administration of the CFD: costs to determine, levy and collect the Special Taxes, including an allocable share of the salaries and benefits of City employees, the fees of consultants, and legal counsel; the costs of collecting installments of the Special Taxes upon the general tax rolls, including any charges levied by County departments; and the preparation of required reports and any other costs required to administer the CFD in accordance with the Act, as determined by the City.

“**Affordable Housing**” means for each Fiscal Year, any Residential Unit(s) located on an Assessor’s Parcel of Developed Property that is available at an affordable housing cost due to a regulatory agreement of no less than 15 years, restricting 100% of the Residential Unit(s) on the Assessor’s Parcel of Developed Property to be affordable to households that are extremely low to low income, as defined in Health and Safety Code Section 50079.5. The City will have the authority to approve and establish policies regarding Affordable Housing and their status.

“**Annual Escalation Factor**” means the greater of (i) two percent (2%) or (ii) the Annual percentage increase in the Consumer Price Index for All Urban Consumers for Riverside-San Bernardino-Ontario, CA Area (not seasonally adjusted) as determined by the Bureau of Labor Statistics. If said index is discontinued, then an alternative index may be used as determined by the Special Tax Administrator.

“**Assessor's Parcel**” means a Lot or parcel of land shown on an Assessor's Parcel Map with a parcel number assigned by the Assessor of the County that corresponds to a number shown on the County Assessor’s roll.

**“Assessor's Parcel Map”** means an official map of the Assessor of the County designating parcels by Assessor's Parcel number.

**“Attached Residential”** means an Assessor’s Parcel of Developed Property, which is not Affordable Housing Property, within the CFD for which a Building Permit has been issued for purposes of constructing a residential structure or structures sharing common walls and/or common spaces, qualified as Attached Residential at the City’s discretion, consisting of two or more Dwelling Units, including, but not limited to duplexes, triplexes, and apartment units, as of June 30th preceding the Fiscal Year in which the Special Tax is being levied.

**“Base Year”** means Fiscal Year ending June 30, 2025.

**“Building Permit”** means a permit issued for new construction of a residential or non-residential structure. For purposes of this definition, “Building Permit” shall not include permits issued solely for grading, utility improvements, or other such improvements that are constructed and installed and are not intended for human occupancy.

**“CFD”** means City of Coachella Community Facilities District No. 2024-1 (Public Services).

**“City”** means the City of Coachella.

**“City Clerk”** means the City Clerk for the City or his or her designee.

**“Council”** means the City Council of the City, acting as the legislative body of the CFD.

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

**“Detached Residential”** means an Assessors’ Parcel of Developed Property within the CFD, which is not Affordable Housing Property, for which a Building Permit has been issued for purposes of constructing a residential structure consisting of one single-family detached Dwelling Unit, including Mobile Homes, as of June 30th preceding the Fiscal Year in which the Special Tax is being levied.

**“Developed Property”** means, for Detached Residential, Attached Residential, or Affordable Housing Property, an Assessor’s Parcel within the CFD for which a Building Permit was issued on or prior to June 30<sup>th</sup> preceding the Fiscal Year in which the Special Tax is being levied, based on the number of Dwelling Units or Building Square Footage, as applicable, per City or County records for that Assessor’s Parcel.

**“Drainage Maintenance Requirement”** means for any Fiscal Year in which the Special Taxes are levied, the amount equal to the budgeted costs for providing the labor, material, testing, reporting, remediation, permitting, general administration, personnel, equipment and utilities necessary to maintain public drainage improvements for, within, or associated with the CFD, including drain inlets, filters, detention basin, storm drain pipeline, and associated appurtenant facilities located within, or associated with, the CFD.

**“Dwelling Unit”** means each separate residential unit that comprises an independent facility capable of conveyance or rental separate from adjacent residential units, in which a person or persons may live, which comprises an independent facility and is not considered to be for non-residential use only, and as defined in the City of Coachella's Municipal Code.

**“Exempt Property”** means for each Fiscal Year, an Assessor's Parcel within the CFD not subject to the Special Tax. Exempt Property includes: (i) Public Property, (ii) Property Owner Association Property, (iii) Assessor’s Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement such as railroad parcels, roads and landscape lots, (iv) property reasonably designated by the City or Special Tax Administrator as Exempt Property due to deed restrictions, conservation easement, or similar factors that may make development of such property impractical for human occupancy, and (v) Welfare Exemption Property.

**“Final Map”** means an Assessor’s Parcel Map, a Final Subdivision Map, parcel map, condominium plan, or any other map functionally considered to be an equivalent development map that has been recorded in the Office of the County Recorder.

**“Fiscal Year”** means the period starting July 1 and ending on the following June 30.

**“Landscaping and Lighting Maintenance Requirement”** means for any Fiscal Year in which the Special Taxes are levied, the amount equal to the budgeted costs for providing landscaping and lighting maintenance within, or associated with the CFD, including the labor, material, administration, personnel, equipment and utilities (i.e., water and power) necessary to maintain public landscaping and lighting improvements for, within, or associated with the CFD, including trees, turf, ground cover, shrubs, weed removal, irrigation systems, sidewalk, drainage facilities, lighting, signs, monuments, graffiti removal, walkways, and associated appurtenant facilities located within, or associated with, the CFD.

**“Land Use Class”** means any of the classes listed in Table 1 and defined herein.

**“Lot”** means an individual legal lot created by an Assessor’s Parcel Map or Final Map.

**“Maximum Special Tax”** means the maximum Special Tax, determined in accordance with Section C below, that can be levied by the CFD in any Fiscal Year on any Assessor’s Parcel.

**“Mobile Home”** means a vehicle designed and equipped for human habitation as defined by the California Health & Safety Code § 18008.

**“Park”** means a public park, open space, trail, dog park dedicated to and/or managed by the City of Coachella.

**“Park Maintenance Requirement”** means, for any Fiscal means, for any Fiscal Year in which the Special Taxes are levied, the amount equal to the budgeted costs for providing park maintenance services within, or associated with the CFD, including but not limited to (i) the costs of contracting for park maintenance services, including trees, plant material, restrooms, irrigation systems, sidewalks, drainage facilities, weed control, lighting, and

parking lot maintenance, (ii) the salaries and benefits of City staff, including maintenance staff, that directly provide park maintenance services, (iii) the expense related to equipment, apparatus, and supplies related to these services and authorized by the Act, (iv) utility costs such as water, sewer, lighting and power and (v) City overhead costs associated with providing such services.

**“Property Owner Association Property”** means, for each Fiscal Year, any property within the CFD that is owned by, or irrevocably dedicated as indicated in an instrument recorded with the County Recorder, to a property owner association, including any master or sub-association, which consists of property owned in common by owners of surrounding properties and it is intended for use for community purposes.

**“Proportionately”** means, for Developed Property, that the ratio of the actual Special Tax levied per Assessor’s Parcel of Developed Property to the Maximum Special Tax per Assessor’s Parcel of Developed Property is equal for all Assessor’s Parcels of Developed Property. **“Proportionately”** means, for Undeveloped Property, that the ratio of the actual Special Tax levied per Assessor’s Parcel of Undeveloped Property to the Maximum Special Tax per Assessor’s Parcel of Undeveloped Property is equal for all Assessor’s Parcels of Undeveloped Property.

**“Public Property”** means, in any Fiscal Year: (i) all Parcels within the boundaries of the CFD that are owned by or irrevocably offered for dedication to the federal government, the State of California, the City or any other public agency; provided, however, that Taxable City Property shall not be categorized as Public Property, and any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act (as such section may be amended or replaced) shall be taxed and classified in accordance with its use; and (ii) all Parcels within the boundaries of the CFD that are encumbered by an unmanned utility easement making impractical its utilization for other than the purpose set forth in the easement.

**“Reserve Fund”** means a fund that shall be created and maintained for the CFD for each Fiscal Year to provide necessary cash flow to cover maintenance and operational cost overruns, and delinquencies in the payment of Special Taxes.

**“Special Tax”** means the Special Tax to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property to fund the Special Tax Requirement, and shall include Special Taxes levied or to be levied under Sections C and D, below.

**“Special Tax 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.

**“Special Tax Requirement”** means the sum of (i) Streetscape and Landscape Maintenance Requirement, (ii) Administrative Expenses of the CFD, and (iii) and any amounts required to establish or replenish a Reserve Fund for that Fiscal Year.

**“State”** means the State of California.

**“Street Maintenance Requirement”** means, for any Fiscal Year in which the Special Taxes are levied, the amount equal to the budgeted costs for providing the labor, material, administration, personnel, equipment and utilities necessary to maintain public streets, streetlights and associated appurtenant facilities for, within, or associated with the CFD, including City overhead costs associated with providing such services within the CFD.

**“Streetscape and Landscape Maintenance Requirement”** means the sum of the Landscaping and Lighting Maintenance Requirement, the Park Maintenance Requirement, the Street Maintenance Requirement, and the Drainage Maintenance Requirement.

**“Taxable Property”** means all Assessor’s Parcels of Developed Property and Undeveloped Property within the CFD that are not Exempt from the Special Tax pursuant to law or as defined herein.

**“Undeveloped Property”** means, for each Fiscal Year, an Assessor’s Parcel within the CFD for which a Building Permit has not been issued on or prior to June 30th preceding the Fiscal Year in which the Special Tax is being levied and is not classified as Exempt Property.

**“Welfare Exemption Property”** means, in any Fiscal Year, any Parcels that have received a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code and for which such welfare exemption is still in place.

***B. ASSIGNMENT TO LAND USE CATEGORIES***

For each Fiscal Year, commencing with Fiscal Year 2024/25, using the definitions above, each Assessor’s Parcel within the CFD shall be classified as Taxable Property or Exempt Property. In addition, each Fiscal Year, beginning with Fiscal Year 2024/25, Taxable Property shall be further classified as Attached Residential, Detached Residential, Affordable Housing Property, or Undeveloped Property.

***C. MAXIMUM SPECIAL TAX RATES***

<b>Land Use Class</b>	<b>Land Use Description</b>	<b>Fiscal Year 2024/25 Maximum Special Tax Rate</b>
1	Detached Residential	\$655 per Dwelling Unit
2	Attached Residential	\$524 per Dwelling Unit
3	Affordable Housing Property	\$306 per Dwelling Unit
4	Undeveloped Property	\$4,247 per Lot acre

For each Fiscal Year following the Base Year, the Maximum Special Tax rates shall be increased by the Annual Escalation Factor. A different Maximum Special Tax may be added to the CFD as a result of future annexations or if future annexations involve a new Land Use Class.

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

Commencing with Fiscal Year 2024/25, and for each subsequent Fiscal Year, the Special Tax Administrator shall calculate the Special Tax Requirement based on the definitions in Section A and levy the Special Tax as follows until the amount of the Special Tax levied equals the Special Tax Requirement:

Step 1: The Special Tax shall be Proportionately levied each Fiscal Year on each Assessor's Parcel of Developed Property up to 100% of the applicable Maximum Special Tax to meet the Special Tax Requirement. The applicable Maximum Special Tax shall be based on the Developed Property's classification as Detached Residential, Attached Residential, or Affordable Housing Property.

Step 2: If after applying the method of apportionment in Step 1, if additional funds are needed to satisfy the Special Tax Requirement, the Special Tax shall be Proportionately levied each Fiscal Year on each Assessor's Parcel of Undeveloped Property up to 100% of the applicable Maximum Special Tax to meet the remainder of the Special Tax Requirement needed. The applicable Maximum Special Tax shall be based on the Undeveloped Property's classification.

***E. Exempt Property***

No Special Tax shall be levied on Exempt Property as defined in Section A.

For each Fiscal Year, if the use or ownership of an Assessor's Parcel of Exempt Property changes so that such Assessor's Parcel is no longer classified as one of the uses set forth in Section A, therefore making such Assessor's Parcel no longer eligible to be classified as Exempt Property, such Assessor's Parcel shall be deemed to be Taxable Property and shall be taxed pursuant to the provisions of Sections B, C, and D.

***F. APPEALS***

Any landowner who pays the Special Tax and believes that the amount of the Special Tax levied on their Assessor's Parcel is in error shall first consult with the Special Tax Administrator regarding such error. If following such consultation, the Special Tax Administrator determines that an error has occurred, the Special Tax Administrator may amend the amount of the Special Tax levied on such Assessor's Parcel. If following such consultation and action, if any, the landowner believes such error still exists, such person may file a written notice with the City Clerk of the City appealing the amount of the Special Tax levied on such Assessor's Parcel. Upon the receipt of any such written notice, the City Clerk shall forward a copy of such notice to the City Finance Director, who shall either (1) refer the matter to the City's existing hearing board for administrative appeals; or (2) establish as part of the proceedings and administration of the CFD, a special three-member Review/Appeal Committee. The Review/Appeal Committee may establish such procedures, as it deems necessary to undertake the review of any such appeal. The hearing board or Review/Appeal Committee shall interpret this Rate and Method of Apportionment and make determinations relative to the annual administration of the Special Tax and any landowner appeals, as herein specified.

The decision of the hearing board or Review/Appeal Committee shall be final and binding to all persons.

***G. MANNER OF COLLECTION***

Special Taxes levied pursuant to Section D above shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided however that (i) the CFD may directly bill the Special Tax, and (ii) the CFD may collect Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of the CFD or as otherwise determined appropriate by the City Council.

***H. TERM OF SPECIAL TAX***

Taxable Property in the CFD shall remain subject to the Special Tax in perpetuity or until the City Council takes appropriate actions to terminate the Special Tax pursuant to the Act.