

CITY OF FOLSOM

Report for:

**Community Facilities District No. 20-1
(Russell Ranch 2)
Public Hearing Report**

June 2025

**Prepared by NBS for and on behalf of the City of
Folsom**

Prepared by:



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INTRODUCTION

The City Council (the “City Council”) of the City of Folsom (the “City”) did, pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982 (Sections 53311 and following, California Government Code; hereafter referred to as the “Act”), on May 13, 2025, adopt Resolution No. 11374 entitled the Resolution of the City Council of the City of Folsom Appointing Consultants, Approving a Proposed Boundary Map and Declaring Intention to Form a Community Facilities District to be Named “City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2)” and to Levy Special Taxes Therein (the “Resolution of Intention”). In the Resolution of Intention, the City Council directed the study and filing of a public hearing report (the “Report”) required by Section 53321.5 of the Act for the proposed City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2) (the “District”).

Section 53321.5 of the Act provides that the Report includes the following:

1. A brief description of the public facilities to be provided by the District; and
2. An estimate of the fair and reasonable cost of providing the public facilities, including the incidental expenses in connection therewith, any City administration costs, and all other related costs.

For particulars, reference is made to the Resolution of Intention for the District, as previously adopted on May 13, 2025, by the City Council.

NOW, THEREFORE, the City Manager of the City, the appointed responsible officer directed to prepare the Report or cause the Report to be prepared pursuant to the provisions of the Act, does hereby submit this Report containing the following information:

- **DISTRICT INFORMATION.** Information related to the District, including background information, land use plans, and the proposed boundaries that include those properties and parcels on which special taxes may be levied to pay for the costs and expenses of the facilities.
- **DESCRIPTION OF FACILITIES.** A description of the facilities that the City Council has determined to be eligible to be funded by the District.
- **COST ESTIMATE.** The cost estimate for the District facilities.
- **RATE AND METHOD OF APPORTIONMENT.** The Rate and Method of Apportionment of Special Taxes, approved by this City Council on May 13, 2025.

DISTRICT INFORMATION

Background

The District is an overlay district within a portion of Community Facilities District No. 20 (Russell Ranch) (CFD No. 20), formally created on November 14, 2017, through Resolution No. 10035. CFD No. 20 spans approximately 437.6 acres located within the Folsom Plan Area. The Folsom Plan Area is located on approximately 3,520 acres and is located within the southern portion of the City, bounded by U.S. Highway 50, White Rock Road, Prairie City Road, and the Sacramento County/El Dorado County line. The Folsom Plan Area is a master-planned community and is planned to include approximately 13,300 residential units of various sizes and densities and approximately 2.5 million building square feet of non-residential land uses.

The District will overlay a portion of CFD No. 20's boundaries, approximately 12.4 acres, and provide necessary funding to fund a portion of CFD No. 20 subdivision infrastructure.

FOLSOM PLAN AREA SPECIFIC PLAN PUBLIC FACILITIES FINANCING PLAN

On January 28, 2014, the City Council approved the Folsom Plan Area Specific Plan Public Facilities Financing Plan (the "PFFP"). The PFFP is an \$877 million plan that describes the backbone infrastructure and facility requirements, presents a comprehensive financing strategy, and sets forth the estimated time horizon for the development of the Folsom Plan Area (the "FPA"). The backbone infrastructure improvements identified in the PFFP include roadways, on-site water, off-site potable water, recycled water, wastewater (sewer), storm drainage, and habitat mitigation for infrastructure. The public facilities identified in the PFFP include public schools, parks, transit services, housing trust, trails, fire facilities and equipment, police facilities and equipment, a municipal service center, corporation yard, solid waste, branch library, a community and aquatic center, other general capital facilities, and transportation.

District Purpose

The District is structured as a standard-term CFD and would provide the necessary funding to help fund a portion of the CFD No. 20 subdivision infrastructure. These subdivision infrastructure costs will be financed using both bond proceeds and Pay-As-You-Go (PAYGO) special tax revenues. PAYGO may only be levied against developed property within the District, and after issuance of the first series of bonds, PAYGO costs will no longer be authorized and will not be included as part of the annual special tax requirement. The subdivision costs to be funded via the District were originally anticipated to be funded by CFD No. 20 and include items listed in the First Amendment to the Acquisition and Shortfall Agreement dated August 25, 2023 between the City and the developer.

District Description

The District boundaries represent a portion of land within CFD No. 20. Specifically, the overlay District boundaries include the land designated as Phase 2, Village 5 of the Russell Ranch development and is comprised of Assessor's Parcel Number 072-3510-005-0000. The Phase 2, Village 5 development is projected to contain 118 multi-family low-density units.

District Boundaries

The proposed boundaries of the District are identified on the map of the District recorded on May 20, 2025, in Book 146 at Page 25 of Maps of Assessment and Community Facilities Districts in the office of the County Recorder for the County of Sacramento. The District map is on file with the City Clerk, to which reference is hereby made and a reduced copy of such map is set forth in Appendix A of this Report.

DESCRIPTION OF FACILITIES

Facilities

Authorized facilities include any and all improvements that are included in the Specific Plan Infrastructure Fee Program adopted by the City Council on September 8, 2015, including any future amendments thereto. These facilities, include, but are not limited to:

- Zone 4/5 Booster Pump Station;
- Zone 5 Water Tank and Zone 6 Booster Pump Station;
- Highway 50 Water Transmission Line;
- Alder Creek Parkway Improvements; and
- Grand Prairie Improvements.

TRANSPORTATION IMPROVEMENTS

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

Authorized facilities include the following transportation improvements:

- Placerville Road—from Highway 50 to White Rock Road.
- Alder Creek Parkway—from Scott Road to the Empire Ranch Road.
- Grand Prairie Road—from Alder Creek Parkway to Placerville Road.
- Scott Road—from Alder Creek Parkway to Street “A”.
- Empire Ranch Road—from property line to White Rock Road.
- Other public roadway improvements designed to meet the needs of development within the District, including internal subdivision streets and related underground utilities.

POTABLE AND NON-POTABLE WATER SYSTEM IMPROVEMENTS

Authorized facilities include any and all on- and off-site backbone water and recycled (or non-potable water facilities) designed to meet the needs of development within the District. These facilities include, but are not limited to, potable and non-potable mains, valves, pressure reducing stations, flow meters, fire

hydrants, and other improvements related thereto such as site clearing, grading, and paving; services, and appurtenances; wells; water treatment, distribution, and storage facilities; curbs and gutters; booster pump stations; stand-by generators; site lighting, drainage, sanitary sewer, and water service; landscaping and irrigation; access gates and fencing; and striping and signage.

DRAINAGE SYSTEM IMPROVEMENTS

Authorized facilities include any and all drainage and storm drain improvements designed to meet the needs of development within the District. These facilities include, but may not be limited to: excavation and grading, pipelines and appurtenances, outfalls, and water quality measures; detention/retention basins, drainage pretreatment facilities, drainage ways/channels, pump stations, landscaping and irrigation; access roads, gates and fencing; and striping and signage and other improvements related thereto.

WASTEWATER SYSTEM IMPROVEMENTS

Authorized facilities include all wastewater facilities designed to meet the needs of development within the District. These facilities include, but may not be limited to, pipelines and all appurtenances thereto; manholes; tie-in to existing main line; force mains; lift stations; odor-control facilities; and permitting related thereto; and related sewer system improvements.

PARK, PARKWAY, OPEN SPACE AND PRESERVE IMPROVEMENTS

Authorized facilities include any and all improvements to parks, parkways, and open space required for development within the District. These facilities include, but may not be limited to grading; turf, shrubs and trees; landscaping irrigation; site lighting; drainage; sanitary sewer and water service, pedestrian and bicycle trails, protective fencing (including soundwalls), pedestrian/bicycle bridges; public art; active and passive park and open space improvements (including respites and overlooks); related monumentation and signage; storm drain crossings; environmental mitigation for wetlands, hawk, and other species for infrastructure under the Specific Plan Infrastructure Fee Program and authorized facilities herein; access gates and fencing; and related park, open space and preserve improvements.

OTHER INCIDENTAL EXPENSES AND BOND ISSUANCE COSTS

In addition to the above facilities, other incidental expenses as authorized by the Act, including, but not limited to, the cost of planning and designing the facilities (including the cost of environmental evaluation, remediation and mitigation); engineering and surveying; construction staking; utility relocation and demolition costs incidental to the construction of the public facilities; costs of project/construction management; costs (including the costs of legal services) associated with the formation of the District; issuance of bonds (if any); determination of the amount of taxes; collection of taxes; payment of taxes; costs of calculating and providing reimbursements from one-time special tax payments; or costs otherwise incurred in order to carry out the authorized purposes of the District; and any other expenses incidental to the formation and implementation of the District and to the construction, completion, inspection and acquisition of the authorized facilities.

Incidental Expenses

It is anticipated that the following incidental expenses may be incurred for the District:

- Engineering services
- Special tax consultant services
- City review and administration
- Bond counsel services
- Bond counsel expenses
- Disclosure counsel services
- Disclosure counsel expenses
- Independent financial advisor services
- Appraiser services
- Market absorption study and real estate economist services
- Initial bond transfer agent, fiscal agent, registrar and paying agent fees
- Rebate calculation service set up charge
- Bond printing
- Offering memorandum printing and mailing costs
- Publishing, mailing and posting of notices
- Underwriter's discount
- Bond reserve fund
- Capitalized interest
- Bond syndication costs
- Governmental notification and filing costs
- Credit enhancement costs
- Real estate acquisition costs
- Rating agency fees
- Charges and fees of City other than those waived

Certain annual costs may be included in each annual special tax levy. These include:

- Annual bond transfer agent, fiscal agent, registrar and paying agent fees
- Annual rebate calculation costs
- Special tax consultant costs
- Other necessary consultant costs
- Costs of posting and collecting the special taxes
- Personnel and Administrative costs of the City
- Arbitrage rebate
- Continuing disclosure reporting and compliance

COST ESTIMATE

Estimated Cost of Public Facilities

The District is eligible to finance the public facilities described in the Description of Facilities section of this Report. The estimated cost for constructing all required facilities for the Russell Ranch subdivision is approximately \$108,153,600, covering backbone infrastructure, soft costs, and subdivision infrastructure. Backbone infrastructure improvements include upgrades to transportation, water systems, recycled water systems, drainage, wastewater, parks, parkways, and open spaces. Subdivision infrastructure encompasses underground utilities, roadways, street lighting, sound walls, and landscaping.

Annual Appropriations Limit

The Fiscal Year 2025/26 annual appropriations limit is \$3,500,000.

Maximum Bonded Indebtedness

The maximum authorized bonded indebtedness for the District is \$3,500,000.

Maximum Special Tax Rates

The determination and application of the maximum special tax rates for the District are more fully set forth in the Rate and Method of Apportionment, which is included under Exhibit B of this Report. The Rate and Method of Apportionment for the District was included as part of the Resolution of Intention, approved by the City Council on May 13, 2025, and established the Fiscal Year 2025/26 maximum special tax rates. The Fiscal Year 2025/26 maximum special tax rates are presented in the table below.

Land Use Category	Residential Floor Area	FY 2025/26 Maximum Special Tax Rate	Taxed Per
Developed Property:			
Multi Family Low Density Property	≥ 2,000	\$1,534	Residential Unit
Multi Family Low Density Property	1,800 – 1,999	1,336	Residential Unit
Multi Family Low Density Property	< 1,800	1,280	Residential Unit
Other Taxable Property	Not Applicable	13,400	Acre
Small Lot Final Map Property:			
Multi Family Low Density Property	Not Applicable	\$1,280	Residential Lot
Large Lot Property:	Not Applicable	\$13,400	Acre

As a result of future Assessor's Parcel changes, described in Section C.1 of the Rate and Method of Apportionment, the maximum special tax rates for Developed Property and Small Lot Final Map Property may exceed the Developed Property and Small Lot Final Map Property maximum special tax rates set forth in the table above.

Annual Maximum Special Tax Escalation

On each July 1, commencing on July 1, 2026, the maximum special tax shall be increased by 2% of the maximum special tax in effect for the previous Fiscal Year.

RATE AND METHOD OF APPORTIONMENT

All the property located within the District, unless exempted by law or by the Rate and Method of Apportionment, shall be taxed for the purpose of providing the necessary facilities for the District. 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 benefit received by parcels of real property, the cost of making facilities available to each parcel, or other reasonable basis as determined by the legislative body," although the special tax may not be apportioned on an ad valorem basis pursuant to Article XIII A of the California Constitution.

As shown in Appendix B, the Rate and Method of Apportionment provides information sufficient to allow each property owner to estimate the maximum special tax that he or she will be required to pay.

Term of Special Tax

The District's special tax shall be levied commencing in Fiscal Year 2025/26 to the extent necessary to fully satisfy the annual special tax requirement and shall be levied for a period no longer than Fiscal Year 2064/65.

Manner of Collection

The annual special tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes; provided, however, that the District, may directly bill the special tax, and may collect special taxes at a different time or in a different manner as necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on Assessor's Parcels of taxable property that are delinquent in the payment of special taxes.

APPENDIX A: BOUNDARY MAP

The boundary map for the District is shown on the following page. The lines and dimensions of each lot or parcel within the District are those lines and dimensions shown on the maps of the County Assessor, at the time this Report was prepared, and are incorporated by reference herein and made part of this Report.

PROPOSED BOUNDARIES OF CITY OF FOLSOM COMMUNITY FACILITIES DISTRICT NO. 20-1 (RUSSELL RANCH 2)

CITY OF FOLSOM
COUNTY OF SACRAMENTO
STATE OF CALIFORNIA



FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF FOLSOM THIS 19th DAY OF May 2025

Christina
CITY CLERK
CITY OF FOLSOM
SACRAMENTO COUNTY, CALIFORNIA

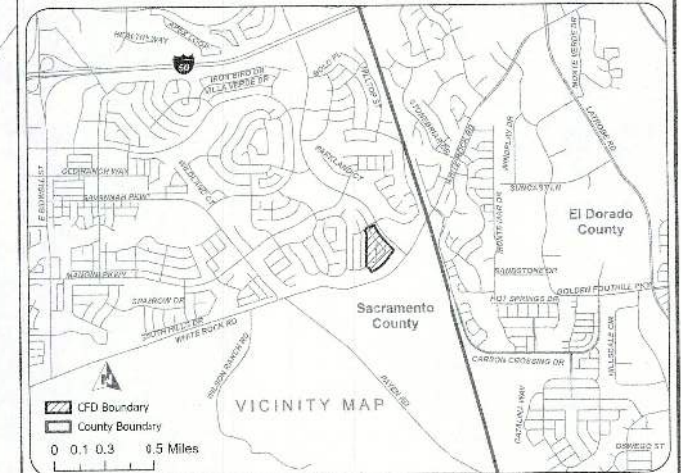
I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING THE PROPOSED BOUNDARIES OF THE CITY OF FOLSOM COMMUNITY FACILITIES DISTRICT NO. 20-1 (RUSSELL RANCH 2), CITY OF FOLSOM, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF FOLSOM, AT A MEETING THEREOF, HELD ON THE 13 DAY OF May 2025, BY ITS RESOLUTION NO. 05-24

Christina
CITY CLERK
CITY OF FOLSOM
SACRAMENTO COUNTY, CALIFORNIA

FILED THIS 20th DAY OF May 2025, AT THE HOUR OF 9:57 O'CLOCK AM, IN BOOK 146 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE 25 IN THE OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA. Doc# 2025020234

Monica Graham-Sidhu Donna Allred
COUNTY RECORDER
COUNTY OF SACRAMENTO, CALIFORNIA

FOR PARTICULARS OF THE LINES AND DIMENSIONS OF ASSESSOR PARCELS, REFERENCE IS MADE TO THE MAPS THE ASSESSOR, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.



Source: Sacramento County GIS
Geographic Coordinate Reference: GCS North American 1983
Projection: NAD 1983 StatePlane California II FIPS 0402 Feet



APPENDIX B: RATE AND METHOD OF APPORTIONMENT

The following pages provide a copy of the District's Rate and Method of Apportionment approved by the City Council on May 13, 2025, via Resolution No. 11374.

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAXES
FOR CITY OF FOLSOM
COMMUNITY FACILITIES DISTRICT NO. 20-1
(RUSSELL RANCH 2)**

A Special Tax, as hereinafter defined, shall be levied and collected within the City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2) ("CFD No. 20-1") each Fiscal Year commencing in Fiscal Year 2025-2026, in an amount determined by the application of the procedures below. All Taxable Property within CFD No. 20-1, as hereinafter defined, 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. GENERAL DEFINITIONS

The terms hereinafter set forth have the following meaning:

"Accessory Dwelling Unit" or "ADU" means all Assessor's Parcels of Residential Property for which a building permit(s) has been issued for an "Accessory Dwelling Unit" as defined in California Government Code Section 66313, as may be amended from time to time, that is accessory to a Residential Unit.

"Acre or Acreage" means the land area of an Assessor's Parcel as shown on County records, such as an Assessor's Parcel Map and secured roll data, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Large Lot Map, Small Lot Final Subdivision Map, condominium plan, record of survey, or other recorded document creating or describing the parcel. If the preceding maps for a land area are not available, the Acreage of such land area may be determined utilizing available spatial data and GIS. The square footage of an Assessor's Parcel is equal to the Acreage of such parcel multiplied by 43,560.

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

"Administrative Expenses" means the actual or reasonably estimated costs directly related to the administration of CFD No. 20-1 including, but not limited to, the following: the costs of any paying agents/fiscal agents/trustees related to Bond payments (including the fees and expenses of related counsel); the costs of computing the Special Tax Requirement, the Special Taxes and of preparing the collection schedules for the Special Taxes; the costs of collecting the Special Taxes, including any charges levied by the County Auditor's Office, County Tax Collector's Office or County Treasurer's Office; the costs of the City or designee in complying with the disclosure requirements associated with applicable federal and state securities laws, or otherwise related to CFD No. 20-1 or the Bonds; the City's annual administration fees and third party expenses; costs of responding to public inquiries regarding the Special Taxes; the costs of the City or designee related to an appeal of the Special Tax or interpretation of this Rate and Method of Apportionment of Special Taxes; amounts needed to pay any required arbitrage rebate to the federal government related to the Bonds; the costs associated with the release of funds from any escrow account; and the costs of commencing and pursuing to completion any foreclosure action arising from delinquent Special Taxes in CFD No. 20-1. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 20-1 for any other administrative purposes of CFD No. 20-1.

“Assessor’s Parcel” or “Parcel” means a lot or parcel shown in an Assessor’s Parcel Map with an assigned Assessor’s Parcel Number.

“Assessor’s Parcel Map” means an official map of the County Assessor of the County designating lots or parcels by an Assessor’s Parcel number.

“Assessor’s Parcel Number” or “APN” means, with respect to an Assessor’s Parcel, that number assigned to such Assessor’s Parcel by the County for purposes of identification.

“Bond Year” means a one year period beginning on September 2nd in each year and ending on September 1st in the following year, unless defined differently in the applicable Indenture.

“Bonds” means bonds or other debt (as defined in section 53317 of the Act), whether in one or more series, issued or assumed by or on behalf of the City for CFD No. 20-1 under the Act, and secured by the pledge of the Special Taxes.

“Building Permit” means a permit issued by the City for new construction of a residential or non-residential building on an Assessor’s Parcel.

“CFD No. 20-1” means City of Folsom Community Facilities District No. 20-1 (Russell Ranch 2), established by the City Council pursuant to the Act.

“CFD No. 20-1 Administrator” means the City’s Finance Director, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

“City” means the City of Folsom, California.

“City Council” means the City Council of the City, acting as the legislative body of CFD No. 20-1.

“County” means the County of Sacramento, California.

“Debt Service” means for each Bond Year, the total amount of principal and interest due on any Outstanding Bonds.

“Developed Property” means, for each Fiscal Year, all Taxable Property for which a Building Permit for new construction was issued prior to June 30 of the previous Fiscal Year.

“Exempt Property” means all property located within the boundaries of CFD No. 20-1 which is exempt from the Special Tax pursuant to the Act or Section E below.

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

“Indenture” means the indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time, and any instrument replacing or supplementing the same.

“Large Lot Property” means, for each Fiscal Year, all Taxable Property for which a Large Lot Map was recorded prior to June 30 of the previous Fiscal Year, excluding any portion(s) thereof classified as Developed Property or Small Lot Final Map Property. Large Lot Property also means, for each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property as of June 30 of the previous Fiscal Year.

“Large Lot Map” means a recorded subdivision map creating larger parcels by land use. The Large Lot Map does not create individual lots for which Building Permits may be issued for Residential Units.

“Maximum Special Tax” means the total maximum annual Special Tax, determined in accordance with the provisions of Section C, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Maximum Special Tax Rate” means the maximum annual Special Tax rate for each land use category of Taxable Property, as shown in Attachment A, which may be levied in any Fiscal Year on any Assessor’s Parcel of Taxable Property.

“Minimum Special Tax Revenue” means the minimum amount of total CFD No. 20-1 Maximum Special Tax, as adjusted annually by the Special Tax Escalation Factor, less any Maximum Special Tax amounts prepaid and permanently satisfied pursuant to Section I. The Minimum Special Tax Revenue, based on Planned Development, is set forth in Attachment B of this Rate and Method of Apportionment of Special Taxes.

“Multi Family Low Density Property” means, for each Fiscal Year, all Taxable Property for which a Building Permit could be issued for purposes of constructing one or more detached or attached Residential Units with a permitted density range of 7-12 Residential Units per Acre and more fully described in the Folsom Plan Area Specific Plan adopted on June 28, 2011 and as amended by the City Council.

“Open Space Property” means property within CFD No. 20-1 which (a) has been designated with specific boundaries and acreage on a Small Lot Final Subdivision Map as open space, or (b) is classified by the City zoning code or County Assessor as open space, or (c) has been irrevocably offered for dedication as open space to the federal government, the State of California, the County, the City, any other public agency, a private, non-profit organization, or (d) is encumbered by an easement or other restriction required by the City limiting the use of such property to open space.

“Other Taxable Property” means all other land uses of Taxable Property, for which a Building Permit for new construction can be issued. Other Taxable Property does not include Multi Family Low Density Property land use categories.

“Outstanding Bonds” means all Bonds, which remain outstanding as defined in the Indenture pursuant to which such Bonds were issued.

“Pay As You Go Costs” means that portion of the Special Tax Requirement attributable to the direct payment for the acquisition and/or construction of public improvements, which are authorized to be financed by CFD No. 20-1. Special Taxes attributable to Pay As You Go Costs may only be levied against Developed. After the issuance of the first series of Bonds, Pay As You Go Costs will no longer be levied and will not be included in determining the annual Special Tax Requirement.

“Planned Development” means the planned number of Residential Units and Other Taxable Property Acreage planned within CFD No. 20-1, set forth in Attachment B of this Rate and Method of Apportionment of Special Taxes, as amended by the future recordation of all Large Lot Maps and Small Lot Final Subdivision Maps within CFD No. 20-1.

“Property Owner Association Property” means any property within CFD No. 20-1 which is (a) owned by a property owner association or (b) designated with specific boundaries and Acreage on a Small Lot Final Subdivision Map as property owner association property. As used in this definition, a property owner association includes any master or sub-association.

“Proportionately” means for Taxable Property that the ratio of the Special Tax levy to the Maximum Special Tax is equal for all Assessors’ Parcels within each land use category (Developed Property, Small Lot Final Map Property, Large Lot Property, etc.) within CFD No. 20-1.

“Public Property” means any property within CFD No. 20-1 which (a) is owned by a public agency, (b) has been irrevocably offered for dedication to a public agency, or (c) is designated with specific boundaries and Acreage on a Small Lot Final Subdivision Map as property, which will be owned by a public agency. For purposes of this definition, a public agency includes the federal government, the State, the County, the City, school districts, or any other governmental agency.

“Residential Floor Area” means all of the square footage of living area within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of Residential Floor Area shall be made by the CFD No. 20-1 Administrator by reference to appropriate records kept by the City’s building department. Residential Floor Area for a residential structure will be based on the Building Permit(s) issued for such structure prior to it being classified as Developed Property and will not be adjusted as a result of future development modifications.

“Residential Lot” means an individual residential lot within a recorded Small Lot Final Subdivision Map on which a Building Permit has been or is permitted to be issued for construction of one or more Residential Units.

“Residential Property” means, for each Fiscal Year, all Taxable Property for which a Building Permit has been issued for purposes of constructing Residential Units, including Multi Family Low Density Property.

“Residential Unit” means an individual single family detached residential unit or an individual residential unit within an apartment building, duplex, triplex, fourplex, townhome or condominium structure. The number of Residential Units assigned to each Assessor’s Parcel may be determined by (a) referencing Assessor’s Data, (b) site surveys and physical unit counts, and/or (c) other research by the CFD Administrator. An Accessory Dwelling Unit shall not be considered a Residential Unit for the purposes of the Special Tax.

“Small Lot Final Map Property” means, for each Fiscal Year, all Taxable Property for which a Small Lot Final Subdivision Map was recorded prior to June 30 of the previous Fiscal Year.

“Small Lot Final Map Remainder Property” means an Assessor’s Parcel that is created from the subdivision of Large Lot Property by the recordation of a Small Lot Final Subdivision Map that has not yet been mapped for final development approval. Small Lot Final Map Remainder Property is that portion of property for which the Small Lot Final Subdivision Map definition does not apply (i.e., does not contain individual lots for which building permits may be issued for Residential Units without further subdivision of such property). Each Fiscal Year, all Taxable Property classified as Small Lot Final Map Remainder Property, as of June 30 of the previous Fiscal Year, will be considered Large Lot Property.

“Small Lot Final Subdivision Map” means a subdivision of property created by recordation of a final subdivision map, parcel map or lot line adjustment, approved by the City pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 1352, that creates individual lots for which building permits may be issued for Residential Units without further subdivision of such property.

“Special Tax” means the annual Special Tax to be levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property to fund the Special Tax Requirement.

“Special Tax Escalation Factor” means two percent (2%) annually.

“Special Tax Requirement” means that amount required in any Fiscal Year for CFD No. 20-1 to (1) pay Debt Service on all Outstanding Bonds due in the succeeding Bond Year; (2) pay Debt Service on Bonds expected to be issued on behalf of CFD No. 20-1 due in the succeeding Debt Year; (3) Administrative Expenses; (4) provide any amount required to establish or replenish a reserve fund in connection with any CFD No. 20-1 Bonds; (5) provide an amount equal to reasonably anticipated Special Tax delinquencies based on the delinquency rate for Special Taxes levied in the previous Fiscal Year as determined by the CFD Administrator, as limited by the Act, and without duplicating any amounts described in clauses (3) or (4); and (6) account for Pay As You Go Costs. The amounts referred to in clauses (1) through (5) of the preceding sentence may be reduced in any Fiscal Year (in the City's sole discretion) by (i) surplus balances in funds and accounts for CFD No. 20-1 Bonds to the extent that such balances are available to apply against Debt Service pursuant to the Indenture, (ii) proceeds from the collection of penalties associated with delinquent Special Tax, and (iii) any other revenues available to pay Debt Service on the Outstanding Bonds or other indebtedness as determined by the CFD Administrator.

“Special Tax Term” means Fiscal Year 2064-2065.

“State” means the State of California.

“Taxable Property” means all of the Assessor’s Parcels within the CFD No. 20-1 Boundaries that are not exempt from the CFD No. 20-1 Special Tax pursuant to law or Section E below.

“Trustee” means the entity appointed pursuant to an Indenture to act as the trustee, fiscal agent, or paying agent or a combination thereof.

“Welfare Exempt Property” means, in any Fiscal Year, all Assessor Parcels within the boundaries of CFD No. 20-1 that (a) have been granted a welfare exemption by the County under subdivision (g) of Section 214 of the Revenue and Taxation Code indicated in the Assessor’s Data finalized as of January

1 of the previous Fiscal Year, and (b) are exempt from the Special Tax pursuant to Section 53340(c) of the Act. Pursuant to Section 53340(c) of the Act, after the issuance of the first series of Bonds, as applicable, any Assessor's Parcels that receive a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code shall not be classified as Welfare Exempt Property and will be subject to the Special Tax.

B. ASSIGNMENT TO LAND USE CATEGORIES

Each Fiscal Year, using City and County records, City zoning information, and land use development plans, all Assessor's Parcels within CFD No. 20-1 shall be designated as either Taxable Property or Exempt Property.

All Taxable Property shall be further classified as Developed Property, Small Lot Final Map Property, or Large Lot Property and shall be subject to the levy of the annual Special Tax determined pursuant to Section C below. Once Taxable Property is classified as Developed Property, it shall remain classified as Developed Property and shall not be reclassified, regardless of changes in land use or development modifications.

C. SPECIAL TAX

A Maximum Special Tax shall be assigned to all Taxable Property within CFD No. 20-1 according to the Maximum Special Tax Rates set forth in Attachment A of this Rate and Method of Apportionment of Special Taxes.

Once assigned, the sum of the total Maximum Special Tax shall be equal to or greater than the Minimum Special Tax Revenue. The Minimum Special Tax Revenue for Fiscal Year 2025-2026 is set forth in Attachment B of this Rate and Method of Apportionment of Special Taxes.

On each July 1, commencing on July 1, 2026, the Maximum Special Tax Rates and Minimum Special Tax Revenue shall be increased by the Special Tax Escalation Factor of the Maximum Special Tax Rates and Minimum Special Tax Revenue in effect for the previous Fiscal Year.

C.1. Future Assessor's Parcel Changes

The Maximum Special Tax shall be assigned to all future Assessor's Parcel(s) created from a subdivision, lot line adjustment, or merger of one or more Assessor's Parcels so that the revised sum of the total Maximum Special Tax revenue is not less than the Minimum Special Tax Revenue set forth in Attachment B of this Rate and Method of Apportionment of Special Taxes.

Large Lot Property Subdividing into Small Lot Final Map Property

When Large Lot Property subdivides into Small Lot Final Map Property, the Maximum Special Tax shall be calculated for all Taxable Property as if all of the Taxable Property was classified as Developed Property. If the Large Lot Property subdivision also creates Small Lot Final Map Remainder Property, the expected Developed Property Maximum Special Tax for the Small Lot Final Map Remainder Property shall be based upon the Planned Development for the Small Lot Final Map Remainder Property. The expected Developed Property Maximum Special Tax for any

remaining Large Lot Property shall be based upon the Planned Development of the Large Lot Property.

If the sum of the total expected Developed Property Maximum Special Tax is greater than or equal to the Minimum Special Tax Revenue, there will be no further adjustments to the Developed Property and Small Lot Final Map Property Maximum Special Tax Rates for the Small Lot Final Map Property and Small Lot Final Map Remainder Property created from the Large Lot Property subdivision.

If the sum of the total expected Developed Property Maximum Special Tax is less than the Minimum Special Tax Revenue, and such difference is not eliminated by the full or partial prepayment of the Maximum Special Tax pursuant to Section I, the Developed Property and Small Lot Final Map Property Maximum Special Tax Rates shall be Proportionately increased, on the Small Lot Final Map Property and Small Lot Final Map Remainder Property created from the Large Lot Property subdivision, until the sum of the total expected Developed Property Maximum Special Tax is equal to the Minimum Special Tax Revenue. Attachment B of this Rate and Method of Apportionment of Special Taxes shall be updated to reflect any increases to the Maximum Special Tax Rates from the Large Lot Property subdivision. The Developed Property and Small Lot Final Map Property Maximum Special Tax Rates shall not be adjusted for any Taxable Property already classified as Developed Property or Small Lot Final Map Property created prior to the Large Lot Property subdivision.

C.2. Method of Apportionment of Special Tax

Using the definitions and procedures described herein, the CFD No. 20-1 Administrator shall determine the Special Tax Requirement and levy the Special Tax until the amount of Special Taxes equals the Special Tax Requirement. The Special Tax shall be levied each Fiscal Year as follows:

First: The Special Tax shall be levied Proportionately on all Developed Property at a rate up to 100% of the Maximum Special Tax in order to satisfy the Special Tax Requirement.

Second: If additional monies are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on all Small Lot Final Map Property at a rate up to 100% of the Maximum Special Tax. The Special Tax shall be levied on Small Lot Final Map Property for the entire portion of the Special Tax Requirement, excluding only Pay As You Go Costs.

Third: If additional monies are needed to satisfy the Special Tax Requirement after the first two steps have been completed, the Special Tax shall be levied Proportionately on all Large Lot Property at a rate up to 100% of the Maximum Special Tax. The Special Tax shall be levied on Large Lot Property for the entire portion of the Special Tax Requirement, excluding only Pay As You Go Costs.

D. DELINQUENCIES

Notwithstanding the above, under no circumstances will the CFD No. 20-1 Special Tax levied against any Assessor's Parcel of Developed Property classified as Residential Property, in any Fiscal Year, be increased as a consequence of the delinquency or default in the payment of the CFD No. 20-1 Special Taxes by the owner or owners of any other Taxable Property by more than ten percent (10%) above

the amount that would have been levied against such Assessor's Parcel in such Fiscal Year had there been no delinquencies or defaults.

E. EXEMPTIONS

- E.1.** The CFD No. 20-1 Administrator shall classify the following as Exempt Property: Public Property, Property Owner Association Property, Open Space Property, and Assessor's Parcels with public or utility easements making impractical their utilization for any use other than the purposes set forth in the easement.
- E.2.** No Special Tax shall be levied on any Assessor's Parcel in any Fiscal Year in which such Assessor's Parcel is classified as Welfare Exempt Property; however, pursuant to Section 53340(c) of the Act, after the issuance of the first series of Bonds, as applicable, any Assessor's Parcels that receive a welfare exemption under subdivision (g) of Section 214 of the Revenue and Taxation Code shall not be classified as Welfare Exempt Property and will be subject to the Special Tax.
- E.3.** The Maximum Special Tax obligation for Taxable Property which will be transferred or dedicated to a public agency and will be classified as Public Property shall be prepaid in full by the seller, pursuant to Section K, prior to the transfer/dedication of such Taxable Property. Until the Maximum Special Tax obligation for any such Taxable Property is prepaid, the Taxable Property shall continue to be subject to the levy of the Special Tax. An exception to this may be made if an Assessor's Parcel of Public Property, such as a school site, is relocated to an Assessor's Parcel of Taxable Property, in which case the Assessor's Parcel of previously Public Property becomes Taxable Property and the Assessor's Parcel of previously Taxable Property becomes Public Property. This trading of an Assessor's Parcel from Taxable Property to Public Property will be permitted to the extent there is no loss in Maximum Special Tax revenue, and the transfer is agreed to by the owners of all Assessor's Parcels involved in the transfer and the City Council.
- E.4.** If the use of an Assessor's Parcel changes so that such Assessor's Parcel is no longer eligible to be classified as one of the uses set forth in Section E.1 above that would make such Assessor's Parcel eligible to continue to be classified as Exempt Property, such Assessor's Parcel shall cease to be classified as Exempt Property and shall be deemed to be Taxable Property and subject to the Special Tax.

F. INTERPRETATIONS

The City reserves the right to make minor administrative and technical changes to this document that do not materially affect the Rate and Method of Apportionment of Special Taxes. In addition, the interpretation and application of any section of this document shall be at the City's discretion. Interpretations may be made by the City by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Taxes.

G. REVIEW/APPEALS

The CFD No. 20-1 Administrator may establish such procedures, as it deems necessary to undertake the review of any such appeal. The CFD No. 20-1 Administrator shall interpret this Rate and Method

of Apportionment of Special Taxes and make determinations relative to the annual administration of the Special Tax and any property owner appeals, as herein specified.

Any property owner may file a written appeal of the Special Tax with the CFD No. 20-1 Administrator claiming that the amount or application of the Special Tax is not correct. The appeal must be filed not later than one calendar year after having paid the Special Taxes that are disputed, and the appellant must be current in all payments of Special Taxes. In addition, during the term of the appeal process, all Special Taxes 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 Taxes are in error. The CFD No. 20-1 Administrator shall review the appeal, meet with the appellant if the CFD No. 20-1 Administrator deems necessary, and advise the appellant of its determination.

If the property owner disagrees with the CFD No. 20-1 Administrator's decision relative to the appeal, the owner may file a written notice with the City Manager appealing the amount of the Special Tax levied on such Assessor's Parcel. If following such consultation and action, if any, by the City Manager, the property owner believes such error still exists, such person may file a written notice with the City Council appealing the amount of the Special Tax levied on such Assessor's Parcel. The decision of the City shall be final and binding to all persons. If the decision of the CFD No. 20-1 Administrator or subsequent decision by the City Manager or City Council requires the Special Taxes to be modified or changed in favor of the property owner, no cash refund shall be made for prior years' Special Taxes, but an adjustment shall be made to credit future Special Taxes. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to filing any legal action by such owner.

H. MANNER OF COLLECTION

The annual 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. 20-1, may, at the sole discretion of the City, directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner as necessary to meet its financial obligations, and may covenant to foreclose and may actually foreclose on Assessor's Parcels of Taxable Property that are delinquent in the payment of Special Taxes.

I. PREPAYMENT OF SPECIAL TAX

The Special Tax obligation of an Assessor's Parcel of Taxable Property may be prepaid and permanently satisfied as described herein; provided that 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 Special Tax obligation shall provide the CFD No. 20-1 Administrator with written notice of intent to prepay. Within 30 days of receipt of such written notice, the CFD No. 20-1 Administrator shall notify such owner of the prepayment amount of such Assessor's Parcel. Prepayment must be made not less than 60 days prior to the next occurring date that notice of redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 20-1 Administrator may charge a fee for providing this service.

The following definitions apply to this Section I:

"Authorized Facilities" means the public facilities authorized to be financed, in whole or in part, by CFD No. 20-1.

"Buildout" means the state of maximum development of CFD No. 20-1, based on plans and anticipated development.

"CFD Public Facilities Cost" means \$3,889,000 for CFD No. 20-1, expressed in 2025 dollars, which shall increase by the annual percentage change in the Construction Inflation Index on July 1, 2026 and on each July 1 thereafter, or such lower number as (i) shall be determined by the CFD No. 20-1 Administrator as sufficient to provide the public facilities to be funded by CFD No. 20-1 or (ii) shall be determined by the City Council concurrently with a covenant that it will not issue any more Bonds to be supported by Special Taxes levied under this Rate and Method of Apportionment of Special Taxes as described in Section C.

"Construction Inflation Index" means the annual percentage change in the Engineering News-Record Construction Cost Index, measured as of the calendar year which ends in the previous Fiscal Year, but not less than zero percent. 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 Construction Cost Index.

"Future Facilities Costs" means, as of the date of prepayment, the CFD Public Facilities Costs minus the portion of the CFD Public Facilities Costs previously funded from (a) proceeds of all Previously Issued Bonds, which were, at the time of issuance, available to the City for Authorized Facilities, (b) interest earnings on the improvement fund actually earned prior to the date of prepayment, and (c) proceeds of the Special Tax dedicated to Pay-As-You-Go Costs. In no case shall the Future Facilities Costs be less than zero.

"Previously Issued Bonds" means all Outstanding Bonds that have been issued on behalf of CFD No. 20-1 prior to the date of prepayment.

I.1. Prepayment in Full

If a prepayment is made prior to the issuance of Bonds, the Redemption Premium, Interest Amount, Reserve Fund Credit, and Capitalized Interest Credit as calculated below, shall be zero. The Prepayment Amount (defined below) shall be calculated as summarized below (capitalized terms as defined below):

Bond Redemption Amount:	
Plus	Future Facilities Amount
Plus	Redemption Premium
Plus	Interest Amount
Plus	Administrative Fees and Expenses
Less	Reserve Fund Credit
Less	Capitalized Interest Credit
Total:	Prepayment Amount

As of the proposed date of prepayment, the Prepayment Amount shall be calculated by the CFD No. 20-1 Administrator as follows:

Step 1: Confirm that no Special Tax delinquency applies to such Assessor's Parcel, and if delinquencies are applicable compute all amounts due, including interest and penalties.

Step 2: For Assessor's Parcels of Developed Property compute the Maximum Special Tax. For Assessor's Parcels of Small Lot Final Map Property and Large Lot Property to be prepaid, compute the Maximum Special Tax for that Assessor's Parcel as though it was already designated as Developed Property, based upon the expected development for that Assessor's Parcel.

Step 3: Divide the Maximum Special Tax computed pursuant to Step 2 by the total estimated Maximum Special Tax for CFD No. 20-1 based on the Developed Property Maximum Special Tax which could be charged in the current Fiscal Year on all expected development through buildout of CFD No. 20-1. (the "*Maximum Special Tax Percentage*").

Step 4: Multiply the Maximum Special Tax Percentage by the Outstanding Bonds to compute the principal amount of Outstanding Bonds to be redeemed (the "*Bond Redemption Amount*").

Step 5: Compute the Future Facilities Costs.

Step 6: Multiply the Maximum Special Tax Percentage by the total Future Facilities Costs to compute the Future Facilities amount to be prepaid (the "*Future Facilities Amount*").

Step 7: Multiply the Bond Redemption Amount computed pursuant to Step 4 by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed (the "*Redemption Premium*") determined by reference to the Indenture.

Step 8: Compute 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 (the "*Interest Amount*").

Step 9: Verify the administrative fees and expenses, including the costs of computation of the prepayment, the costs to invest the prepayment proceeds, the costs of redeeming the Outstanding Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the "*Administrative Fees and Expenses*").

Step 10: If reserve funds for the Outstanding Bonds held under the Indenture, if any, are at or above 100% of the then reserve requirement (as required by the Indenture) on the prepayment date, a reserve fund credit shall be calculated as a reduction in the applicable reserve requirement for the Outstanding Bonds to be redeemed pursuant to the prepayment (the "*Reserve Fund Credit*"). No Reserve Fund Credit shall be granted if reserve funds are below 100% of the applicable reserve requirement on the prepayment date or if the Reserve Fund is satisfied by a credit instrument rather than cash funded.

Step 11: If any capitalized interest for the Outstanding Bonds will not have been expended at the time of the first interest and/or principal payment following the current Fiscal Year, a capitalized interest credit shall be calculated by multiplying the Maximum Special Tax Percentage by the expected balance in the capitalized interest fund after such first interest and/or principal payment (the "*Capitalized Interest Credit*").

Step 12: The Special Tax prepayment is equal to the sum of the amounts computed pursuant to Steps 4, 6, 7, 8 and 9 less the amount computed pursuant to Steps 10 and 11 (the "*Prepayment Amount*").

Step 13: From the Prepayment Amount, the amounts computed pursuant to Step 6 shall be used by the City to pay for Future Facilities Costs. The amounts computed pursuant to Steps 4, 6, 7 and 8 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 amount computed pursuant to Step 9 shall be retained by the City for the payment of Administrative Fees and Expenses.

Current year Special Taxes that are not yet paid will remain outstanding and will be collected in the manner billed. With respect to any Assessor's Parcel that is prepaid, the CFD No. 20-1 Administrator shall cause a suitable notice to be recorded in compliance with the Act to indicate the prepayment of the Special Tax and the obligation of such Assessor's Parcel has been satisfied.

Notwithstanding the foregoing, no Special Tax prepayment shall be allowed unless the amount of Maximum Special Taxes, net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed prepayment, is at least 1.1 times the annual Debt Service on all Outstanding Bonds to be paid from the Maximum Special Taxes in each Fiscal Year.

I.2. Prepayment in Part

The Special Tax obligation may be partially prepaid in any percentage of the full Prepayment Amount. The amount of the partial prepayment shall be calculated as in the above Section I.1; except that a partial prepayment shall be calculated according to the following formula:

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

These terms have the following meaning:

PP = the Partial Prepayment Amount

PE = the Prepayment Amount calculated according to Section I.1 above

A = the Administrative Fees and Expenses calculated according to Section I.1 above

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

The owner of an Assessor's Parcel who desires to partially prepay the Special Tax obligation shall notify the CFD No. 20-1 Administrator of (i) such owner's intent to partially prepay the Special Tax obligation, (ii) the amount of partial prepayment expressed in increments equal to percentage of the full Prepayment Amount, and (iii) the company or agency that will be acting as the escrow agent, if applicable. Partial prepayment must be made not less than 60 days prior to the next occurring date that notice of redemption of Bonds, whichever date is earlier, from the proceeds of such prepayment may be given to the Trustee pursuant to the Indenture. The CFD No. 20-1 Administrator may charge a fee for providing this service.

With respect to any Assessor's Parcel that is partially prepaid, the CFD No. 20-1 Administrator shall indicate in the records of CFD No. 20-1 that there has been a partial prepayment of the Special Tax obligation and that a portion of the Special Tax obligation equal to the outstanding percentage $(1.00 - F)$ of the remaining Special Tax obligation shall continue to be authorized to be levied on such Assessor's Parcel pursuant to Section C.

Notwithstanding the foregoing, no partial prepayment shall be allowed unless the amount of Maximum Special Taxes, net of any priority administration, if any as defined in the Bond documents, that may be levied on Taxable Property, in each Fiscal Year, both prior to and after the proposed partial prepayment, is at least 1.1 times the annual Debt Service on all Outstanding Bonds to be paid from the Maximum Special Taxes in each Fiscal Year.

J. TERM OF SPECIAL TAX

The Maximum Special Tax shall be levied commencing in Fiscal Year 2025-2026 to the extent necessary to fully satisfy the Special Tax Requirement and shall be levied for the Special Tax Term.

**Attachment A
City of Folsom
Community Facilities District No. 20-1 (Russell Ranch 2)
Maximum Special Tax Rates
(Fiscal Year 2025-2026)**

Land Use Category	Residential Floor Area	2025-2026 Maximum Special Tax Rate⁽¹⁾	Taxed Per
Developed Property:			
Multi Family Low Density Property	≥ 2,000	\$1,534	Residential Unit
Multi Family Low Density Property	1,800 – 1,999	1,336	Residential Unit
Multi Family Low Density Property	< 1,800	1,280	Residential Unit
Other Taxable Property	Not Applicable	13,400	Acre
Small Lot Final Map Property:			
Multi Family Low Density Property	Not Applicable	\$1,280	Residential Lot
Large Lot Property:	Not Applicable	\$13,400	Acre

(1) On each July 1, commencing on July 1, 2026, the Maximum Special Tax Rates shall be increased by the Special Tax Escalation Factor of the Maximum Special Tax Rates in effect for the previous Fiscal Year.

Attachment B
City of Folsom
Community Facilities District No. 20-1 (Russell Ranch 2)
Minimum Special Tax Revenue
(Fiscal Year 2025-2026)

Land Use Category	Planned Residential Units / Acres	2025-2026 Developed Property Maximum Special Tax Rate⁽¹⁾⁽²⁾	2025-2026 Minimum Special Tax Revenue⁽¹⁾⁽³⁾
Developed Property:			
Multi Family Low Density Property	118	\$1,280	\$151,040
Other Taxable Property	0.0	13,400	0
Total Minimum Special Tax Revenue			\$151,040

- (1) On each July 1, commencing on July 1, 2026, the Developed Property Maximum Special Tax Rates and Minimum Special Tax Revenue shall be increased by the Special Tax Escalation Factor of the Developed Property Maximum Special Tax Rates and Minimum Special Tax Revenue in effect for the previous Fiscal Year.
- (2) As a result of future Assessor's Parcel changes, described in Section C.1, the assigned Maximum Special Tax Rates for Developed Property may exceed the Developed Property Maximum Special Tax Rates set forth in this table.
- (3) The total Minimum Special Tax Revenue may be decreased as result of all or a portion of Maximum Special Tax obligations being prepaid and permanently satisfied pursuant to Section I.
- (4) Based upon the Developed Property Maximum Special Tax Rate for Multi Family Low Density Property with Residential Floor Area of less than 1,800 square feet.