

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

990



**FROM:** County Executive Office

**SUBMITTAL DATE:**  
April 3, 2007

**SUBJECT:** Ordinance No. 867 An Ordinance of the County of Riverside Authorizing The Levy of a Special Tax within Community Facilities District No. 05-1 (Salt Creek Bridges) of the County of Riverside.

**RECOMMENDED MOTION:** That the Board of Supervisors, introduce Ordinance No. 867 authorizing the Levy of a Special Tax within Community Facilities District No. 05-1 (Salt Creek Bridges), and then adopt at the next board meeting, which in this case will be April 10, 2007, said Ordinance No. 867.

**BACKGROUND:** On August 29, 2006, the Board of Supervisors adopted Resolution No. 2006-298 declaring its intent to form Community Facilities District No. 05-1 of the County of Riverside ("CFD 05-1"), and calling a public hearing for October 3, 2006. The Board also adopted Resolution No. 2006-299 declaring its intent to incur bonded indebtedness in an amount not to exceed \$45,000,000 within the proposed boundaries of CFD 05-1. On October 3, 2006, the public hearing was opened and continued to October 31, 2006 and then was subsequently continued to December 5, 2006.

On December 5, 2006, the public hearing was reconvened. During the hearing, the Board adopted Resolution No. 2006-455 authorizing the modification of the Resolution to Incur Bonded Indebtedness so as to increase the maximum amount of authorized Indebtedness from \$45,000,000 to \$50,000,000.

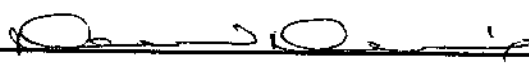
(Continued on Page 2)

Departmental Concurrence

  
Jerry Norris, Principal Management Analyst

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ N/A	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ N/A	Budget Adjustment:	No
	Annual Net County Cost:	\$ N/A	For Fiscal Year:	06/07

<b>SOURCE OF FUNDS:</b> Bond Proceeds	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

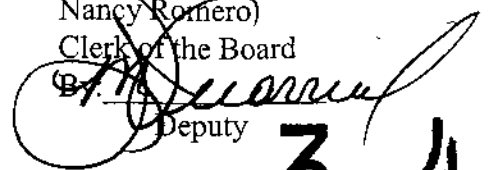
**C.E.O. RECOMMENDATION:**  
**APPROVE**  
**County Executive Office Signature** 

Policy  
 Policy  
 Consent  
 Consent

**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Stone, seconded by Supervisor Buster and duly carried, IT WAS ORDERED that the above ordinance is approved as introduced with wavier of the reading.

Ayes: Buster, Tavaglione, Stone, and Wilson  
 Nays: None  
 Absent: Ashley  
 Date: April 3, 2007  
 cc: EQ, COB

Nancy Romero  
 Clerk of the Board  
  
 Deputy

3.4

Dep't Recomm.:  
 Per Exec. Ofc.:

Form 11  
Ordinance No. 867  
April 3, 2007  
Page 2

At the conclusion of the public hearing the Board of Supervisors adopted Resolution No. 2006-456 and the Legislative Body adopted Resolution No. CFD 2006-25, both of which called an election of the qualified electors of the proposed Community Facilities District No. 05-1 (Salt Creek Bridges) of the County of Riverside (the "CFD") for March 20, 2007 to consider the following proposition: should the CFD be able to incur bonded indebtedness in an aggregate principal amount of \$50,000,000 and be able to levy a special tax within its boundaries consistent with the terms of the Rate and Method of Apportionment, and should the CFD establish an annual appropriations limit equal to \$50,000,000.

The resolutions were consistent with the provisions of the Act, and allowed for the special election. The Registrar of Voters received ballots from the qualified electors by 5:00pm on March 20, 2007 and, consistent with Section 53326(d) of the Government Code, declared the special election to be closed, and the proposition to be approved by more than two thirds (2/3) of the votes cast in the election.

The adoption of Ordinance No. 867, on April 10, 2007, authorizes the levy of special taxes within the District pursuant to the rate and method of apportionment of special tax approved by the Board and the qualified electors. The special tax is to be levied commencing in fiscal year 2007-08 and in each fiscal year thereafter until the final maturity date of all the bonds issued.

Staff recommends that the Chairman of the Board of Supervisors be authorized to sign Ordinance No.867 and that the Clerk of the Board of Supervisors attest to the Chairman's signature and then cause the same to be published within fifteen (15) days after its passage on April 10, 2007 at least once in The Press-Enterprise, a newspaper of general circulation published and circulated in the area of the District, and that Ordinance No. 867, authorizing the levy and collection of special taxes within the CFD shall take effect immediately upon its passage in accordance with the provisions of Section 25123 (c) of the California Government Code.

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**COUNTY OF RIVERSIDE**

**ORDINANCE NO. 867**

**AN ORDINANCE OF THE COUNTY OF RIVERSIDE  
AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN  
COMMUNITY FACILITIES DISTRICT NO. 05-1 (SALT  
CREEK BRIDGES) OF THE COUNTY OF RIVERSIDE**

**WHEREAS**, on August 29, 2006, the Board of Supervisors (the "Board of Supervisors") of the County of Riverside (the "County"), pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Act"), commencing with Section 53311 of the California Government Code (the "Government Code"), adopted Resolution No. 2006-298 (the "Resolution of Intention"), stating its intention to establish a community facilities district (the "Community Facilities District"), proposed to be named Community Facilities District No. 05-1 (Salt Creek Bridges) of the County of Riverside (the "District"), and to authorize the levy of special taxes to finance certain public facilities (the "Facilities") and setting October 3, 2006 as the date for a public hearing to be held on the establishment of the Community Facilities District;

**WHEREAS**, on August 29, 2006, the Board of Supervisors also adopted Resolution No. 2006-299 (the "Resolution to Incur Bonded Indebtedness"), calling for a public hearing to be held on October 3, 2006 to consider the proposed issuance of debt in an amount not to exceed \$45,000,000 for the Community Facilities District in accordance with the Resolution to Incur Bonded Indebtedness;

**WHEREAS**, on October 3, 2006, said public hearings were opened and continued to October 31, 2006;

**WHEREAS**, on October 31, 2006, said public hearings were opened and continued to December 5, 2006;

**WHEREAS**, on December 5, 2006, the Board of Supervisors conducted and closed said public hearings;

**WHEREAS**, at said public hearings, all persons desiring to be heard on all matters pertaining to the proposed establishment of the Community Facilities District, the furnishing of

1 specified types of public facilities and the proposed debt issuance were heard, written protests, if any,  
2 were received and a full and fair hearing was held;

3 **WHEREAS**, at said public hearings, the Board of Supervisors adopted Resolution No.  
4 2006-455 modifying the Resolution to Incur Bonded Indebtedness so as to increase the maximum  
5 amount of the bonded indebtedness of the proposed Community Facilities District from \$45,000,000  
6 to \$50,000,000;

7 **WHEREAS**, subsequent to the hearings, the Board of Supervisors adopted Resolution  
8 No. 2006-456 (the "Resolution of Formation"), establishing the District, authorizing the levy of a  
9 special tax within the District to finance the Facilities and establishing an appropriations limit for the  
10 District;

11 **WHEREAS**, subsequent to the hearings, the Board of Supervisors also adopted Resolution  
12 No. CFD 2006-24, deeming it necessary to incur bonded indebtedness in the maximum amount of  
13 \$50,000,000;

14 **WHEREAS**, subsequent to the hearings, the Board of Supervisors adopted Resolution  
15 No. CFD 2006-25 (the "Resolution Calling Election"), calling a special election for the District for  
16 March 20, 2007 on the proposition to incur bonded indebtedness in a maximum amount of  
17 \$50,000,000, to levy a special tax within the District and to establish an appropriations limit for the  
18 District;

19 **WHEREAS**, pursuant to the terms of the Resolution Calling Election and the provisions of  
20 the Act, said special election was held on March 20, 2007;

21 **WHEREAS**, said proposition was approved by more than two-thirds of the votes cast at said  
22 special election; and

23 **WHEREAS**, pursuant to the Act, the Board of Supervisors is the ex officio legislative body  
24 (the "Legislative Body") of the District;

25 **NOW, THEREFORE**, The Board of Supervisors of the County of Riverside **ORDAINS** as  
26 follows:

1           **Section 1.** The above recitals are all true and correct and the Board of Supervisors so finds  
2 and determines.

3           **Section 2.** By the passage of this Ordinance, the Board of Supervisors hereby authorizes and  
4 levies special taxes within the District pursuant to Sections 53328 and 53340 of the Government  
5 Code, at the rate and in accordance with the method of apportionment (the "Rate and Method") set  
6 forth in the Resolution of Formation and attached as Exhibit A hereto and made a part hereof. The  
7 special taxes are hereby levied commencing in fiscal year 2007-08 and in each fiscal year thereafter  
8 for the period necessary to satisfy the Special Tax Requirement (as defined in the Rate and Method),  
9 but in no event shall it be levied after fiscal year 2047-48 or the stated maturity of bonds of the  
10 District ("Bonds"), whichever is sooner.

11           **Section 3.** The Board of Supervisors, acting as the Legislative Body of the District, is hereby  
12 authorized and directed each fiscal year to determine, or cause to be determined, the specific special  
13 tax rate and amount to be levied for the next ensuing fiscal year for each parcel of real property  
14 within the District, in the manner and as provided in the Rate and Method.

15           **Section 4.** Properties or entities of the state, federal or other local governments shall be  
16 exempt from any levy of the special taxes, to the extent set forth in the Rate and Method. In no event  
17 shall the special taxes be levied on any parcel within the District in excess of the maximum tax  
18 specified in the Rate and Method.

19           **Section 5.** All of the collections of the special tax shall be used as provided for in the Act,  
20 the Rate and Method and the Resolution of Formation, including, but not limited to, the payment of  
21 principal of and interest on the Bonds, the payment of the costs of the Facilities, the replenishment of  
22 the reserve fund for the Bonds, the payment of the costs of administering the District and the costs of  
23 collecting and administering the special tax.

24           **Section 6.** The special taxes shall be collected from time to time as necessary to meet the  
25 financial obligations of the District on the secured real property tax roll in the same manner as  
26 ordinary ad valorem taxes are collected, or may be collected in such other manner as set forth in the  
27 Rate and Method. The special taxes shall have the same lien priority, and shall be subject to the  
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1 same penalties and the same procedure and sale in cases of delinquency as provided for ad valorem  
2 taxes. In addition, the provisions of Section 53356.1 of the Government Code shall apply to  
3 delinquent special tax payments. The Board of Supervisors, acting as the Legislative Body of the  
4 District, is hereby authorized and directed to take all actions necessary in order to effect the proper  
5 billing and collection of the special tax, so that the special tax shall be levied and collected in  
6 sufficient amounts and at the times necessary to satisfy the financial obligations of the District in  
7 each fiscal year.

8 Notwithstanding the foregoing, the Board of Supervisors, acting as the Legislative Body of  
9 the District, may collect, or cause to be collected, one or more installments of the special taxes by  
10 means of direct billing by the District of the property owners within the District if, in the judgment of  
11 the Legislative Body, such means of collection will reduce the burden of administering the District  
12 or is otherwise appropriate in the circumstances. In such event, the special taxes shall become  
13 delinquent if not paid when due as set forth in any such respective billing to the property owners.

14 **Section 7.** If for any reason any portion of this Ordinance is found to be invalid, or if the  
15 special tax is found inapplicable to any particular parcel within the District, by a court of competent  
16 jurisdiction, the balance of this Ordinance and the application of the special tax to the remaining  
17 parcels within the District shall not be affected.

18 **Section 8.** The Chairman of the Board of Supervisors shall sign this Ordinance and the  
19 Clerk of the Board of Supervisors shall attest to the Chairman's signature and then cause the same to  
20 be published within 15 days after its passage at least once in The Press-Enterprise, a newspaper of  
21 general circulation published and circulated in the area of the District.

22 **Section 9.** This Ordinance relating to levy and collection of special taxes in the District shall  
23 take effect immediately upon its passage in accordance with the provisions of Section 25123(c) of  
24 the Government Code, and the specific authorization for adoption is pursuant to the provisions of  
25 Section 53340 of the Government Code.

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**ADOPTED, SIGNED AND APPROVED** this \_\_\_ day of \_\_\_\_\_, 2007, by the Board  
of Supervisors of the County of Riverside.

\_\_\_\_\_  
Chairman of the Board of Supervisors

ATTEST:  
Nancy Romero  
Clerk to the Board of Supervisors

By: \_\_\_\_\_  
Deputy

FORM APPROVED  
COUNTY COUNSEL  
MAR 27 2007  
BY *[Signature]*



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**EXHIBIT A**  
**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR**  
**COMMUNITY FACILITIES DISTRICT NO. 05-1 (SALT CREEK BRIDGES)**  
**OF THE COUNTY OF RIVERSIDE**

**RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR  
COMMUNITY FACILITIES DISTRICT NO. 05-1  
(SALT CREEK BRIDGES)  
OF THE COUNTY OF RIVERSIDE**

A Special Tax (all capitalized terms are defined in Section A. Definitions below), shall be levied on each Parcel of Taxable Property located within the boundaries of Community Facilities District No. 05-1 (Salt Creek Bridges) of the County. The amount of Special Tax to be levied each Fiscal Year, commencing in Fiscal Year 2007-2008, on a Parcel shall be determined by the Legislative Body, by applying the appropriate rate of Special Tax for each category of Taxable Property, as calculated consistent with Sections B., C., and D., below, unless the Parcel is Exempt Property, as provided for in Section E., below. All of the real property within the CFD, unless exempted by law or Section E., 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:

**“Acre or Acreage”** means the acreage of a Parcel as stated on the most recent Assessor’s Parcel Map, or if the acreage is not shown on such Assessor’s Parcel Map, the acreage as determined from the applicable Final Map, or similar instrument.

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

**“Administrative Expenses”** means all actual or reasonably estimated costs and expenses of the CFD as determined by the Administrator to be chargeable or allocable to the CFD and are allowed by the Act and the Indenture, which shall include without limitation, all costs and expenses arising out of or resulting from the annual levy and collection of the Special Tax, Special Tax appeals, initiating and prosecuting a foreclosure action on a Parcel, trustee/fiscal agent expenses and fees, rebate compliance calculation fees, initiating or defending any litigation involving the CFD, continuing disclosure undertakings of the CFD and/or the County, all communications with bondholders, property owners, or other interested persons and the costs of County staff, consultants, and legal counsel incurred on behalf of the CFD in

performing such administrative responsibilities.

**“Administrator”** means the County Executive Officer of the County, or his or her designee.

**“Approved Property”** means, for each Fiscal Year, all Parcels of Taxable Property: (i) that are included in a Final Map that was recorded prior to the January 1<sup>st</sup> preceding said Fiscal Year, and (ii) that have not been issued a building permit prior to the April 1<sup>st</sup> preceding said Fiscal Year.

**“Assessor’s Parcel Map”** means, for each Fiscal Year, the official map(s) of the Assessor of the County designating each Parcel by an Assessor’s parcel number.

**“Assigned Special Tax”** means the Special Tax determined in accordance with Section C., below.

**“Assumed Administrative Expenses”** means (a) for Fiscal Year 2007-08, \$70,000, and (b) for any subsequent Fiscal Year, the amount resulting from increasing the Assumed Administrative Expenses on each July 1, from and including July 1, 2008 to and including the July 1 in such Fiscal Year, by 2% of the amount in effect for the previous Fiscal Year.

**“Backup Special Tax”** means the Special Tax determined in accordance with Section C, below.

**“Bonds”** means any bonds or other debt (as defined in the Act) issued by the CFD and secured by the levy of Special Taxes.

**“CFD”** means Community Facilities District No. 05-1 (Salt Creek Bridges) of the County established pursuant to the Act and identified by the Boundary Maps attached as Exhibit B.

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

**“Developed Property”** means, for each Fiscal Year, all Parcels of Taxable Property, not classified as Public Property and/or Property Owners' Association Property: (i) that are included in a Final Map that was recorded prior to January 1<sup>st</sup> preceding said Fiscal Year and (ii) for which a building permit for new construction has been issued prior to April 1<sup>st</sup> of the preceding Fiscal Year.

**“Exempt Property”** means, for each Fiscal Year, any Parcel which is exempt from the Special Taxes pursuant to Section E., below.

**“Final Map”** means a recorded final map, parcel map, or lot line adjustment, by which a subdivision of property has been made pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq.*) or a recorded condominium plan approved pursuant to California Civil Code Section 1352 that creates Parcels for which building permits may be issued without further subdivision, as determined by the Administrator.

**“Fiscal Year”** means the period starting on July 1 of any calendar year and ending on June 30 of the following calendar year, commencing July 1, 2007.

**“Indenture”** means the bond 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.

**“Initial Maximum Special Tax”** means, for each Parcel of Initial Taxable Property, the rate as shown in column (5) of Exhibit A for said Parcel.

**“Initial Taxable Acres”** means, for each Parcel of Initial Taxable Property, the number of acres as set forth in column (4) of Exhibit A.

**“Initial Taxable Property”** means each Parcel as listed in column (1) of Exhibit A.

**“Land Use Category”** means any of the following land use categories: Single Family Property, Multifamily Property, Non-Residential Property, Approved Property, Undeveloped Property, Public Property and Property Owner Association Property.

**“Legislative Body”** means the Board of Supervisors of the County acting *ex officio* as the Legislative Body of the CFD.

**“Maximum Special Tax”** means, for each Fiscal Year, the maximum Special Tax, determined in accordance with Section C., which can be levied in such Fiscal Year on any Parcel.

**“Multifamily Property”** means, for each Fiscal Year, all Parcels of Residential Property for which a building permit can or has been issued to construct attached residential units that are

under common management and are available for rental, but not purchase, by the general public, as determined by the Administrator.

**"Multiple Land Use Property"** means, for each Fiscal Year, any Developed Property and Approved Property assigned to more than one Land Use Category (e.g. one structure containing both Non-Residential Property and Residential Property), as determined by the Administrator.

**"Non-Residential Floor Area"** means, with regard to Multiple Land Use Property only, all of the square footage within the outside perimeter of all structures on a Parcel used for non-residential purposes, measured from outside wall to outside wall, exclusive of overhangs, porches, patios, carports, or similar spaces attached to the building. The determination of the amount of Non-Residential Floor Area shall be made by the Administrator with reference to the building permit(s) issued for said Parcel, or if these are not available, as otherwise determined by the Administrator. Once such determination has been made for a Parcel, it shall remain fixed in all future Fiscal Years.

**"Non-Residential Property"** means, for each Fiscal Year, all Parcels of Developed Property and Approved Property for which a building permit can or has been issued for any type of non-residential use, as determined by the Administrator.

**"Outstanding Bonds"** means all Bonds deemed to be outstanding under the Indenture.

**"Parcel"** means, for each Fiscal Year, each lot or parcel within the boundary of the CFD as shown on an Assessor's Parcel Map to which an Assessor's parcel number has been assigned.

**"Property Owners' Association Property"** means, for each Fiscal Year, any Parcel which, as of the January 1 preceding said Fiscal Year, is owned by a property owners' association, including any master or sub-association. Property Owners' Association Property includes but is not limited to property dedicated and restricted for the use as streets, open space, park, habitat reserve, golf course clubhouse or recreational facilities.

**"Proportionately"** means for: (i) Developed Property, that the ratio of the actual Special Tax levy to the Assigned or Backup Special Tax, as applicable, is the same for all Parcels of Developed Property, (ii) Approved Property that the ratio of the actual Special Tax levy to the Maximum Special Tax, as applicable, is the same for all Parcels of Approved Property,

(iii) Initial Taxable Property, that the ratio of the actual Special Tax levy to the Initial Maximum Special Tax, is the same for all Parcels of Initial Taxable Property, (iv) Undeveloped Property, that the ratio of the actual Special Tax levy per taxable Acre to the Maximum Special Tax per taxable Acre is the same for all such Property, and (v) Public Property and/or Property Owners' Association Property, that is not Exempt Property, that the ratio of the actual Special Tax levy per taxable Acre to the Maximum Special Tax per taxable Acre is the same for all such Property.

**“Public Property”** means, for each Fiscal Year, any Parcel within the boundary of the CFD which, as of the January 1 preceding said Fiscal Year, is owned by, dedicated to, or irrevocably offered for dedication to the federal government, the State of California, the County, or any other public agency, or utility property utilized for the provision of services to the public or a property encumbered with public or utility easements making impractical its utilization for other than the purpose set forth in the easement; provided, however, that any Parcel leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified according to its use. Public Property includes but is not limited to, public streets, water and sewer facilities, flood control drainage channels, public schools, or property dedicated and restricted for the use as open space, park or habitat reserve.

**“Residential Floor Area”** means, with regard to Multiple Land Use Property only, all of the square footage within the outside perimeter of all structures on a Parcel used for residential purposes, measured from outside wall to outside wall, exclusive of overhangs, porches, patios, carports, or similar spaces attached to the building but generally open on at least two sides. The determination of the amount of Residential Floor Area shall be made by the Administrator with reference to the building permit(s) issued for said Parcel or, if these are not available, as otherwise determined by the Administrator. Once such determination has been made for a Parcel, it shall remain fixed in all future Fiscal Years.

**“Residential Property”** means, for each Fiscal Year, all Parcels of Developed Property and Approved Property for which a building permit can or has been issued for a residential dwelling unit, as determined by the Administrator.

**“Single Family Property”** means, for each Fiscal Year, any Parcel of Residential Property, other than Multifamily Property, for which a building permit can or has been issued for attached or detached residential units, as determined by the Administrator.

**“Special Tax”** means the special tax to be levied in any Fiscal Year on each Parcel of Taxable Property.

**“Special Tax Requirement”** means, for each Fiscal Year, that amount required in each Fiscal Year to pay: (i) annual debt service on all Outstanding Bonds due in the calendar year which commences in such Fiscal Year; (ii) periodic costs on the Bonds, including but not limited to, credit enhancement and rebate payments on the Bonds; (iii) Administrative Expenses; (iv) an amount equal to any shortfall due to Special Tax delinquencies experienced in the prior Fiscal Year; (v) for acquisition or construction costs of facilities, provided such amount does not cause an increase in the Special Tax levy on Approved Property or Undeveloped Property; and (vi) any amounts required to establish or replenish any reserve funds for the Bonds; less (vii) a credit for funds available to reduce the annual Special Tax levy as determined pursuant to the Indenture.

**“Taxable Property”** means, for each Fiscal Year, all Parcels in the CFD which are not Exempt Property.

**“TOPO/GEO Challenged Acreage”** means, for a Parcel of Initial Taxable Property, the acreage stated in column (3) of Exhibit A, and for any other Parcel, that acreage, as determined by the Administrator, to be within the TOPO/GEO Challenged Area.

**“TOPO/GEO Challenged Area”** means the area identified within Exhibit A as the acreage that is not developable due to topographical or geographical constraints.

**“TOPO/GEO Challenged Parcel”** means, for each Fiscal Year, any Parcel located wholly within the boundaries of the TOPO/GEO Challenged Area as identified within Exhibit A.

**“Total Floor Area”** means for any Parcel of Multiple Land Use Property the sum of the Residential Floor Area and Non-Residential Floor Area.

**“Undeveloped Property”** means, for each Fiscal Year, all Taxable Property for which: (i) a parcel map or lot line adjustment is recorded on one or more Parcel(s) of Initial Taxable Property; (ii) the total taxable Acreage of the resulting Parcel(s) does not equal the taxable Acreage of the parent Parcel as stated in column (4) of Exhibit A; and (iii) a Final Map has not been recorded prior to January 1 of said Fiscal Year.

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

At the formation of the CFD, all Parcels listed in column (1) of Exhibit A shall be considered Initial Taxable Property. Each Fiscal Year in which the Special Tax is levied, all Parcels shall be categorized as either Initial Taxable Property, a TOPO/GEO Challenged Parcel, Developed Property, Approved Property, Undeveloped Property, Public Property, Property Owners' Association Property or Exempt Property, and shall be subject to the levy of Special Taxes in accordance with this Rate and Method of Apportionment as determined pursuant to Sections C., D., and E., below.

When a parcel map or lot line adjustment is recorded on one or more Parcel(s) of Initial Taxable Property, and if the Administrator determines that the total taxable Acreage of the resulting Parcel(s) equals the taxable Acreage of the parent Parcel as stated in column (4) of Exhibit A, then each resulting Parcel shall be categorized as Initial Taxable Property. The Administrator shall update Exhibit A to reflect such changes.

When a parcel map or lot line adjustment is recorded on one or more Parcel(s) of Initial Taxable Property, and if the Administrator determines that the total taxable Acreage of the resulting Parcel(s) is less than the taxable Acreage of the parent Parcel as shown in column (4) of Exhibit A, then each resulting Parcel(s) shall be categorized as Undeveloped Property.

When a Final Map is recorded on any Parcel of Initial Taxable Property or Undeveloped Property, the Parcels created by the Final Map, other than TOPO/GEO Challenged Parcels, Public Property, Property Owners' Association Property and Exempt Property, shall be categorized as Approved Property or Developed Property. Approved Property and Developed Property shall further be classified as Residential Property, Non-Residential Property or Multiple Land Use Property. Residential Property shall further be classified as Single Family Property or Multifamily Property.

## **C. SPECIAL TAX RATE**

### **1. Developed Property**

#### **a. Maximum Special Tax**

The Maximum Special Tax for each Parcel of Single Family Property shall be the greater

of: (i) the applicable Assigned Special Tax determined pursuant to Section C.1.b, below, or (ii) the amount derived by application of the Backup Special Tax.

The Maximum Special Tax and the Backup Special Tax for each Parcel of Non-Residential Property and Multifamily Property shall be the Assigned Special Tax determined pursuant to Section C.1.b, below; provided however, that for purposes of such calculation, the Acreage of any Parcel shall be reduced by its TOPO/GEO Challenged Acreage.

**b. Assigned Special Tax**

**i. Assigned Special Tax Through Adjustment Date Fiscal Year**

For each Fiscal Year from and including Fiscal Year 2007-2008 to and including the Fiscal Year in which the Adjustment Date occurs, the Assigned Special Tax for each Parcel of Developed Property, except Multiple Land Use Property, shall be as described below

**TABLE 1**  
Developed Property  
Assigned Special Taxes  
For Fiscal Year 2007-2008

Land Use Category	Taxable Parcel/Acre	Assigned Special Tax Per Parcel/Acre
1 - Single Family Property	Parcel	\$411
2. - Multifamily Property	Acre	\$1,497
3 - Non - Residential Property	Acre	\$1,497

**For each Fiscal Year following Fiscal Year 2007-2008, to and including the Fiscal Year in which the Adjustment Date occurs, the Assigned Special Tax shall increase by an amount equal to 2.00% of the Assigned Special Tax in effect for the prior Fiscal Year.**

**ii. Assigned Special Tax After Adjustment Date Fiscal Year**

For each Fiscal Year after the Fiscal Year in which the Adjustment Date occurs, the Assigned Special Tax for Developed Single Family Property for such Fiscal Year shall be equal to the quotient of (a) 100% of the Total Assigned Special Tax for such Fiscal Year,

divided by (b) 8,200.

For each Fiscal Year after the Fiscal Year in which the Adjustment Date occurs, the Assigned Special Tax for Developed Multifamily Property for such Fiscal Year shall be (a) if such Fiscal Year is Fiscal Year 2007-2008, \$1,497, and (b) if such Fiscal Year is any subsequent Fiscal Year, the amount resulting from increasing the Assigned Special Tax on each July 1, from and including July 1, 2008 to and including the July 1 in such Fiscal Year by 2.00% of the amount in effect for the previous Fiscal Year.

For each Fiscal Year after the Fiscal Year in which the Adjustment Date occurs, the Assigned Special Tax for Developed Non-Residential Property for such Fiscal Year shall be equal to the quotient of (a) 0% of the Total Assigned Special Tax for such Fiscal Year, divided by (b) 0.

In order to set forth and describe the Assigned Special Tax for each Developed Single Family Property, Developed Multifamily Property and Developed Non-Residential Property Land Use Category, as adjusted pursuant to this Section C.1.b.ii, the Administrator shall, within 15 days after the Adjustment Date, complete the table set forth in Exhibit C hereto by inserting therein the Assigned Special Tax for each Developed Single Family Property, Developed Multifamily Property and Developed Non-Residential Property Land Use Category for the first Fiscal Year after the Fiscal Year in which the Adjustment Date occurs, after giving effect to the adjustment in such Assigned Special Tax made pursuant to this Section C.1.b.ii. Additionally, the Administrator shall, within 15 days after the Adjustment Date, record with the Riverside County Recorder an Addendum to the Notice of Special Tax Lien for the CFD, which Addendum shall reference the book and page and recording date of the Notice of Special Tax Lien for the CFD and any amendments to it, shall include the table set forth in Exhibit C hereto and shall otherwise clearly set forth the adjustments in said Assigned Special Taxes.

### **iii. Definitions**

“Adjustment Date” means the date of initial issuance of Bonds.

“Annual Debt Service” means, for each Bond Year, the sum of (a) the interest due on the outstanding Bonds in such Bond Year, assuming that the outstanding Bonds are retired as scheduled, including by reason of mandatory sinking fund redemptions (except to the extent that such interest is to be paid from the proceeds of the sale of the Bonds that has been set aside for such purpose), and (b) the principal amount of the outstanding Bonds due in such Bond Year, including any mandatory sinking fund redemptions due in such

Bond Year.

“Bond Year” means each twelve-month period beginning on September 2 in each year and extending to the next succeeding September 1.

“Corresponding Bond Year” means, with respect to any Fiscal Year, the Bond Year that commences in such Fiscal Year.

“Developed Multifamily Property” means, for each Fiscal Year, Multifamily Property that is Developed Property.

“Developed Non-Residential Property” means, for each Fiscal Year, Non-Residential Property which is Developed Property.

“Developed Single Family Property” means, for each Fiscal Year, Single Family Property which is Developed Property.

“Initial Total Assigned Special Tax” means the smallest amount that causes the Total Assigned Special Tax for each Fiscal Year to be an amount such that the remainder of (a) the Total Assigned Special Tax for such Fiscal Year, less (b) the Assumed Administrative Expenses for such Fiscal Year, is equal to or greater than 110% of Annual Debt Service for the Corresponding Bond Year.

“Total Assigned Special Tax” means (a) for Fiscal Year 2007-08, the Initial Total Assigned Special Tax, and (b) for any subsequent Fiscal Year, the amount resulting from increasing the Total Assigned Special Tax on each July 1, from and including July 1, 2008 to and including the July 1 in such Fiscal Year, by 2.00% of the amount in effect for the previous Fiscal Year.

**c. Backup Special Tax**

For Fiscal Year 2007-2008, the Backup Special Tax for each Parcel of Single Family Property, other than a TOPO/GEO Challenged Parcel that is Developed Property, created by a Final Map shall be determined by multiplying \$1,497, by the total Acreage of Taxable Property within said Final Map that includes such parcel, excluding the Acreage classified as Multifamily Property, Multiple Land Use Property, Non-Residential Property, Public Property and/or Property Owners' Association Property that is not Exempt Property and the TOPO/GEO Challenged Acreage within said Final Map, and dividing such amount by the number of Parcels of Single Family Property.

Notwithstanding the foregoing, if the number of proposed units of Multifamily Property

in a specific Final Map is subsequently changed or modified by recordation of a lot line adjustment or similar instrument, then the Backup Special Tax will be recalculated for the units of Multifamily Property within the changed or modified area of said Final Map utilizing the modified number of units in such area so that such changed area shall be subject to the same aggregate Backup Special Tax.

The Backup Special Tax for each TOPO/GEO Challenged Parcel that is categorized as Developed Property shall be \$411 for Fiscal Year 2007-2008.

**For each Fiscal Year following Fiscal Year 2007-2008, the Backup Special Tax shall increase by an amount equal to 2.00% of the Backup Special Tax in effect for the prior Fiscal Year.**

**d. Multiple Land Use Property**

In some instances a Parcel of Developed Property that is not identified as single family residential may be assigned to more than one Land Use Category. The Assigned Special Tax levied on such a Parcel shall be the sum of the Assigned Special Tax levies for all Land Use Categories located on such Parcel. The Backup Special Tax levied on a Parcel shall be the sum of the Backup Special Tax levies that can be imposed on all Land Use Categories located on such Parcel. The Maximum Special Tax levied on a Parcel shall be the sum of the Maximum Special Tax levies that can be imposed on all Land Use Categories located on such Parcel.

For purposes of calculating the Backup Special Tax for each Land Use Category under such circumstances, the Acreage assigned to each Land Use Category shall be based on the proportion of Residential Floor Area or Non-Residential Floor Area that is built for each Land Use Category as compared with the Total Floor Area built on the Parcel. The Administrator shall determine all allocations made under this section, and all such allocations shall be final.

**2. Approved Property**

The Maximum Special Tax for each Parcel of Single Family Property shall be the greater of: (i) the applicable Assigned Special Tax set forth in Table 2, or (ii) the amount derived by application of the Backup Special Tax.

The Maximum Special Tax and the Backup Special Tax for each Parcel of Non-

Residential Property and Multifamily Property shall be the Assigned Special Tax set forth in Table 2, below; provided however, that for purposes of such calculation, the Acreage of any Parcel shall be reduced by its TOPO/GEO Challenged Acreage.

**For each Fiscal Year following Fiscal Year 2007-2008, the Maximum Special Tax shall increase by an amount equal to 2.00% of the Maximum Special Tax in effect for the prior Fiscal Year.**

The Assigned Special Tax for each Parcel of Approved Property, except Multiple Land Use Property, is stated in Table 2.

**TABLE 2**  
Approved Property  
 Assigned Special Taxes  
 For Fiscal Year 2007-2008

Land Use Category	Taxable Parcel/Acre	Assigned Special Tax Per Parcel/Acre
1 – Single Family Property	Parcel	\$411
2. – Multifamily Property	Acre	\$1,497
3 - Non – Residential Property	Acre	\$1,497

**For each Fiscal Year following Fiscal Year 2007-2008, the Assigned Special Tax shall increase by an amount equal to 2.00% of the Assigned Special Tax in effect for the prior Fiscal Year.**

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

Commencing with Fiscal Year 2007-2008 and for each following Fiscal Year, the Legislative Body shall levy the Special Tax on all Taxable Property until the amount of Special Tax equals the Special Tax Requirement in accordance with the following steps:

First: For each Fiscal Year after the Fiscal Year in which the initial issuance of Bonds occurs, the Special Tax shall be levied on each Parcel of Developed Property at 100% of the applicable Assigned Special Tax. For each Fiscal Year after the Fiscal Year in which the initial Bonds are issued, the Special Tax shall be levied Proportionately on each Parcel of

Developed Property at up to 100% of the applicable Assigned Special Tax as needed to satisfy the Special Tax Requirement;

Second: If additional moneys are needed to satisfy the Special Tax Requirement after the first step has been completed, the Special Tax shall be levied Proportionately on each Parcel of Approved Property at up to 100% of the applicable Assigned Special Tax, as needed to satisfy the Special Tax Requirement;

Third: If additional moneys are needed to satisfy the Special Tax Requirement after the first two steps have been completed, the Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property at up to 100% of the applicable Maximum Special Tax as needed to satisfy the Special Tax Requirement;

Fourth: If additional moneys are needed to satisfy the Special Tax Requirement after the first three steps have been completed, the Special Tax shall be levied on each Parcel of Initial Taxable Property up to 100% of the Initial Maximum Special Tax in Exhibit A as needed to satisfy the Special Tax Requirement;

Fifth: If additional moneys are needed to satisfy the Special Tax Requirement after the first four steps have been completed, the Special Tax shall be levied on each Parcel of Approved Property and/or Developed Property whose Maximum Special Tax is derived by the application of the Backup Special Tax, shall be increased Proportionately at up to 100% of the difference between the applicable Maximum Special Tax for each such Parcel less the applicable Assigned Special Tax for such Parcel as needed to satisfy the Special Tax Requirement;

Sixth: If additional moneys are needed to satisfy the Special Tax Requirement after the first five steps have been completed, the Special Tax shall be levied Proportionately on each Parcel of Property Owners' Association Property that is not Exempt Property at up to 100% of the Maximum Special Tax as needed to satisfy the Special Tax Requirement.

Seventh: If additional moneys are need to satisfy the Special Tax Requirement after the first six steps have been completed, the Special Tax shall be levied Proportionately on each Parcel of Public Property that is not Exempt Property, at up to 100% of the Maximum Special Tax as needed to satisfy the Special Tax Requirement.

Notwithstanding the above, under no circumstances shall the Special Taxes levied against

any Parcel of Residential Property be increased by more than ten percent (10%) per Fiscal Year as a consequence of delinquency or default by the owner of any other Parcel within the CFD.

#### **E. EXEMPTIONS**

Land, other than the area identified in the TOPO/GEO Challenged Area, conveyed or irrevocably offered for dedication to a public agency after formation of the CFD and not otherwise shown as or not exempt pursuant to this Section E, shall be subject to the levy of Special Tax pursuant to Section 53317.3 or 53317.5 of the Act. Parcels conveyed or irrevocably offered for dedication to a public agency within the TOPO/GEO Challenged Area shall not be deducted from the acreage exemptions below.

Notwithstanding the above, the Special Tax shall not be imposed upon any of the following:

- (1) The Legislative Body shall not levy Special Taxes on up to 211.68 Acres of Public Property which include, but not limited to, public streets, water and sewer facilities, and/or flood control drainage channels.
- (2) The Legislative Body shall not levy Special Taxes on up to 53.58 Acres of Public Property that is owned by a public school district.
- (3) The Legislative Body shall not levy Special Taxes on up to 215.12 Acres of Public Property and/or Property Owners' Association Property that is property dedicated and restricted for the use as open space, park, or habitat reserve.

If the limit of Acres within one of the categories described in (1), (2) or (3), above, has not been reached, the Legislative Body may, at its discretion as and when it deems appropriate, reallocate and transfer all or a portion of the remaining Acres in said category to either of the other two categories.

After the limit of Acres within each of the above has been reached, the Special Tax obligation for any additional Public Property and/or Property Owners' Association Property may prepay the Acreage's Special Tax pursuant to the provision within Section H., below. Until the Special Tax obligation is prepaid as provided for in the preceding sentence, the Public Property and/or Property Owners' Association Property will be subject to the levy of the Special Tax as provided for in the sixth and seventh steps of Section D. above. In

addition, the Special Tax shall not be imposed on the approximately 4.68 acres of private property as identified in Exhibit D hereto.

**F. MANNER OF COLLECTION, PENALTIES, PROCEDURE & LIEN PRIORITY**

The Special Tax shall be collected in the same manner and at the same time as ordinary *ad valorem* property taxes and shall be subject to the same penalties, the same procedure, sale and lien priority in the case of delinquency; provided, however, that the CFD may directly bill the Special Tax, may collect the Special Tax at a different time or in a different manner if necessary to meet its financial obligations, and if so collected, a delinquent penalty of 10% of the Special Tax will attach at 5:00 p.m. on the date the Special Tax becomes delinquent and interest at 1.5% per month of the Special Tax will attach on the July 1 after the delinquency date and the first of each month thereafter until redeemed.

**G. APPEALS**

Any owner of a Parcel claiming that the amount of the Special Tax levied on such Parcel is not correct and/or requesting a refund may file a written notice of appeal with the Administrator once the Special Tax in dispute has been paid but, not later than 12 months after the mailing of the property tax bill on which the Special Tax appears. The Administrator shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax, convene the CFD Special Tax Review Board and decide the appeal. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to any legal action by such owner.

**H. PREPAYMENT OF SPECIAL TAX**

No Special Tax prepayment in full or prepayment in part shall be allowed unless the amount of Maximum Special Taxes, based on the categorization and classification hereunder of all Parcels on the date of the calculation, that may be levied on Taxable Property in each Fiscal Year commencing with the Fiscal Year of the proposed prepayment is at least equal to the sum of: (a) 1.1 times the debt service on the Outstanding Bonds due in the calendar year which commences in such Fiscal Year; plus (b) the Assumed Administrative Expenses for such Fiscal Year.

The following definitions apply to this Section H:

**“CFD Public Facilities”** means either \$36,905,895 expressed in 2006 dollars, which shall increase by the Construction Inflation Index on July 1, 2007, and on each July 1 thereafter, or such lower number as (i) shall be determined by the Administrator as sufficient to provide the public facilities under the authorized bonding program of the CFD, or (ii) shall be determined by the Legislative Body concurrently with a covenant that it will not issue any more Bonds to be supported by Special Tax levied under this Rate and Method of Apportionment.

**“Construction Fund”** means a fund or an account specifically identified in the Indenture to hold funds which are currently available for expenditure to acquire or construct public facilities eligible under the Act.

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

**“Future Facilities Costs”** means the CFD Public Facilities minus public facility costs available to be funded through escrow accounts or funded by the Outstanding Bonds as defined in Section A, minus public facility costs funded by interest earnings on the Construction Fund actually earned prior to the date of prepayment.

**“Outstanding Bonds”** means all previously issued Bonds issued and secured by the levy of Special Taxes, which will remain outstanding after the first interest and/or principal payment date following the current Fiscal Year, excluding Bonds to be redeemed at a later date with the proceeds of prior prepayments of Special Taxes.

#### **Prepayment in Full**

The Maximum Special Tax obligation may only be prepaid and permanently satisfied by a Parcel of Developed Property, Approved Property, or Undeveloped Property for which a building permit has been issued, or Public Property and/or Property Owners' Association Property that is not Exempt Property pursuant to Section E. The Maximum Special Tax obligation applicable to such Parcel may be fully prepaid and the obligation of the Parcel to

pay the Special Tax permanently satisfied as described herein; provided that a prepayment may be made only if there are no delinquent Special Taxes with respect to such Parcel at the time of prepayment. An owner of a Parcel intending to prepay the Maximum Special Tax obligation for the Parcel shall provide the Administrator with written notice of intent to prepay, and within 15 business days of receipt of such notice, the Administrator shall notify such owner of the amount of the non-refundable deposit determined to cover the cost to be incurred by the CFD in calculating the Prepayment Amount (as defined below) for the Parcel. Within 15 business days of receipt of such non-refundable deposit, the Administrator shall notify such owner of the Prepayment Amount for the Parcel. Prepayment must be made not less than 60 business days prior to any redemption date, unless authorized by the Administrator, for any Bonds to be redeemed with the proceeds of such prepaid Special Taxes.

The Prepayment Amount (defined below) shall equal the sum of the amount as identified below (capitalized terms as defined below):

	Bond Redemption Amount
plus	Redemption Premium
plus	Future Facilities Amount
plus	Defeasance Amount
plus	Administrative Fees and Expenses
less	Reserve Fund Credit
Total: equals	Prepayment Amount

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

1. Confirm that no Special Tax delinquencies apply to such Parcel.
2. For Parcels of Approved Property and/or Developed Property, compute the Maximum Special Tax obligation for the current Fiscal Year for the Parcel. For Parcels of Undeveloped Property, compute the Maximum Special Tax obligation for the current Fiscal Year for the Parcel as though it was already designated as Developed Property, based upon the building permit which has been issued for the Parcel. For Parcels of Public Property and/or Property Owners' Association Property to be prepaid, compute the Maximum Special Tax for the current Fiscal Year for the Parcel.
3. Divide the Maximum Special Tax obligation derived pursuant to paragraph 2 by the

total calculated Maximum Special Taxes for the current Fiscal Year for the entire CFD.

4. Multiply the quotient derived pursuant to paragraph 3 by the principal amount of the Outstanding Bonds to determine the amount of Outstanding Bonds to be redeemed with the Prepayment Amount (the "*Bond Redemption Amount*").
5. Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed (the "*Redemption Premium*").
6. Determine the Future Facilities Costs.
7. Multiply the quotient derived pursuant to paragraph 3 by the amount derived pursuant to paragraph 6 to determine the amount of Future Facilities Costs for the Parcel (the "*Future Facilities Amount*").
8. Determine the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds on which Bonds can be redeemed from Special Tax prepayments.
9. Determine the Special Tax levied on the Parcel in the current Fiscal Year which have not yet been paid.
10. Compute the amount the Administrator reasonably expects to derive from the investment of the Bond Redemption Amount, the Redemption Premium and the amount derived pursuant to paragraph 8, from the date of prepayment until the redemption date for the Outstanding Bonds to be redeemed with the Prepayment Amount.
11. Add the amounts derived pursuant to paragraphs 8 and 9 and subtract the amount derived pursuant to paragraph 10 (the "*Defeasance Amount*").
12. Verify the administrative fees and expenses, including the costs of computation of the Prepayment Amount, the costs to invest the Prepayment Amount, the costs of redeeming the Outstanding Bonds, and the costs of recording notices to evidence the prepayment of the Maximum Special Tax obligation for the Parcel and the

redemption of Outstanding Bonds (the "*Administrative Fees and Expenses*").

13. The reserve fund credit (the "*Reserve Fund Credit*") shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture), if any, associated with the redemption of Outstanding Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture) in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero.
14. The Prepayment Amount is equal to the sum of the Bond Redemption Amount, the Redemption Premium, the Future Facilities Amount, the Defeasance Amount and the Administrative Fees and Expenses, less the Reserve Fund Credit (the "*Prepayment Amount*").
15. From the Prepayment Amount, the Bond Redemption Amount, the Redemption Premium, and the Defeasance Amount shall be deposited into the appropriate fund as established under the Indenture and be used to redeem Outstanding Bonds or make debt service payments. The Future Facilities Amount shall be deposited into the Construction Fund. The Administrative Fees and Expenses shall be retained by the CFD.

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

As a result of the payment of the current Fiscal Year's Special Tax levy as determined under paragraph 9 (above), the Administrator shall remove the current Fiscal Year's Special Tax levy for the prepaying Parcel from the County tax rolls. With respect to any Parcel for which the Special Tax obligation is prepaid, the Legislative Body shall cause a suitable notice to be recorded in compliance with the Act, to indicate the prepayment of Special Tax and the release of the Special Tax lien for the Parcel, and the obligation of the Parcel to pay the Special Tax shall cease.

**I. TERM OF THE SPECIAL TAX**

Special Taxes shall be levied for the period necessary to satisfy the Special Tax Requirement, but in no event shall Special Taxes be levied after Fiscal Year 2047-2048 or latest scheduled maturity of the Bonds, whichever is sooner.

## EXHIBIT A

Initial Taxable Property (Fiscal Year 2007-2008)	Acres	TOPO/GEO Challenged Acreage	Initial Taxable Acres	Initial Maximum Special Tax (\$1,497)
(1)	(2)	(3)	(4)	(5)
461150007-0	0.72	0	0.72	\$1,077.84
461150008-1	0.83	0	0.83	\$1,242.51
461150009-2	0.72	0	0.72	\$1,077.84
461150015-7	74.68	4.84	69.84	\$104,550.48
461160029-1	47.08	0	47.08	\$70,478.76
461180068-8	35.25	0	35.25	\$52,769.25
461180070-9	32.43	0	32.43	\$48,547.71
461180072-2	26.82	0	26.82	\$40,149.54
461180071-0	25.85	0	25.85	\$38,697.45
461200035-9	30.16	0	30.16	\$45,149.52
461200036-0	19.28	0	19.28	\$28,862.16
462020040-4	11.47	0	11.47	\$17,170.59
462020041-5	13.75	0	13.75	\$20,583.75
462020044-8	8.37	0	8.37	\$12,529.89
462020046-0	10.26	0	10.26	\$15,359.22
462020047-1	9.26	0	9.26	\$13,862.22
461160021-3	3.24	0	3.24	\$4,850.28
461160032-3	17.22	0	17.22	\$25,778.34
461160033-4	18.08	0	18.08	\$27,065.76
461160034-5	15.43	0	15.43	\$23,098.71
461160036-7	13.17	0	13.17	\$19,715.49
461180057-8	14.26	0	14.26	\$21,347.22
461180058-9	6.88	0	6.88	\$10,299.36
461180059-0	6.88	0	6.88	\$10,299.36
461180061-1	15.13	0	15.13	\$22,649.61
461180062-2	7.83	0	7.83	\$11,721.51
461180063-3	7.83	0	7.83	\$11,721.51
461180064-4	10.00	0	10.00	\$14,970.00
461180065-5	10.00	0	10.00	\$14,970.00
461180066-6	10.03	0	10.03	\$15,014.91
461180067-7	14.47	0	14.47	\$21,661.59
461200028-3	29.82	0	29.82	\$44,640.54
461170006-1	54.04	0	54.04	\$80,897.88
461170007-2	179.22	139.18	40.04	\$59,939.88
461190041-4	23.19	0	23.19	\$34,715.43
461190067-8	60.52	60.52	0	\$0.00
461190072-2	23.48	0	23.48	\$35,149.56
461190073-3	54.07	0	54.07	\$80,942.79
461190074-4	50.94	50.94	0	\$0.00
461190076-6	2.71	0	2.71	\$4,056.87
461190077-7	17.84	0	17.84	\$26,706.48
461190079-9	39.55	0	39.55	\$59,206.35

Initial Taxable Property (Fiscal Year 2007-2008)	Acres	TOPO/GEO Challenged Acreage	Initial Taxable Acres	Initial Maximum Special Tax (\$1,497)
(1)	(2)	(3)	(4)	(5)
461210009-7	9.96	9.1	0.86	\$1,287.42
461210011-8	77.04	28.39	48.65	\$72,829.05
461210019-6	15.08	0	15.08	\$22,574.76
461210020-6	71.3	37.95	33.35	\$49,924.95
461210021-7	28.18	9.25	18.93	\$28,338.21
461050012-5	3.15	0	3.15	\$4,715.55
461150006-9	71.98	0	71.98	\$107,754.06
462020010-7	39.09	0	39.09	\$58,517.73
462020039-4	29.26	0	29.26	\$43,802.22
462020049-3	38.52	0	38.52	\$57,664.44
462050001-2	9.53	0	9.53	\$14,266.41
462050002-3	39.73	0	39.73	\$59,475.81
462060001-3	9.85	0	9.85	\$14,745.45
462060002-4	9.86	0	9.86	\$14,760.42
462060005-7	9.86	0	9.86	\$14,760.42
462060006-8	9.86	0	9.86	\$14,760.42
462060012-3	8.74	0	8.74	\$13,083.78
462060013-4	8.74	0	8.74	\$13,083.78
462060014-5	16.89	0	16.89	\$25,284.33
462090001-6	155.96	0	155.96	\$233,472.12
462110001-7	2.82	0	2.82	\$4,221.54
462110002-8	1.85	0	1.85	\$2,769.45
462110003-9	4.22	0	4.22	\$6,317.34
462110004-0	4.75	0	4.75	\$7,110.75
462110005-1	2.62	0	2.62	\$3,922.14
462110006-2	0.87	0	0.87	\$1,302.39
462110007-3	0.87	0	0.87	\$1,302.39
462120001-8	1.74	0	1.74	\$2,604.78
462120002-9	4.78	0	4.78	\$7,155.66
462120003-0	2.61	0	2.61	\$3,907.17
462120004-1	4.78	0	4.78	\$7,155.66
462120005-2	3.48	0	3.48	\$5,209.56
462120006-3	0.87	0	0.87	\$1,302.39
462120012-8	0.87	0	0.87	\$1,302.39
462120014-0	0.52	0	0.52	\$778.44
462120015-1	1.74	0	1.74	\$2,604.78
462120016-2	4.20	0	4.2	\$6,287.40
462120038-2	0.35	0	0.35	\$523.95
466340006-1	18.86	0	18.86	\$28,233.42
466340007-2	19.23	0	19.23	\$28,787.31
466340008-3	18.81	0	18.81	\$28,158.57
466340009-4	19.22	0.41	18.81	\$28,158.57
466340010-4	19.66	14.1	5.56	\$8,323.32
466340011-5	19.1	14.32	4.78	\$7,155.66
466340012-6	19.42	5.16	14.26	\$21,347.22

Initial Taxable Property (Fiscal Year 2007-2008)	Acres	TOPO/GEO Challenged Acreage	Initial Taxable Acres	Initial Maximum Special Tax (\$1,497)
(1)	(2)	(3)	(4)	(5)
466340013-7	21.44	19.61	1.83	\$2,739.51
466340014-8	22.68	22.5	0.18	\$269.46
466340015-9	24.12	23.95	0.17	\$254.49
466340016-0	18.73	0	18.73	\$28,038.81
466340017-1	31.57	0	31.57	\$47,260.29
466340018-2	18.92	0	18.92	\$28,323.24
466340019-3	18.31	0	18.31	\$27,410.07
466340020-3	17.66	0	17.66	\$26,437.02
466350018-3	156.12	14.81	141.31	\$211,541.07
333200053-9	58.41	0	58.41	\$87,439.77
461150010-2	31.81	0	31.81	\$47,619.57
461150012-4	108.19	0.84	107.35	\$160,702.95
461160017-0	4.84	0	4.84	\$7,245.48
461160014-7	37.95	15.39	22.56	\$33,772.32
461160030-1	56.74		56.74	\$84,939.78
461160035-6	20.95	6.15	14.8	\$22,155.60
461220003-2	30.15		30.15	\$45,134.55
461220004-3	31.1		31.1	\$46,556.70
461220005-4	18.09		18.09	\$27,080.73
461220006-5	22.58	22.58	0	\$0.00
461220007-6	32.87		32.87	\$49,206.39
461220010-8	21.91		21.91	\$32,799.27
461220012-0	11.99	0	11.99	\$17,949.03
461200037-1	36.94	0	36.94	\$55,299.18

**\* For each Fiscal Year following Fiscal Year 2007-2008, the Initial Maximum Special Tax shall increase by an amount equal to 2.00% of the tax rate in effect for the prior Fiscal Year.**

**EXHIBIT B**  
**Boundary Map**

**PROPOSED BOUNDARIES  
COMMUNITY FACILITIES DISTRICT NO. 05-1  
(SALT CREEK BRIDGES)  
OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

RECORDED THIS DAY OF \_\_\_\_\_ 2008 AT THE HOUR OF \_\_\_\_\_  
O'CLOCK OF THE AFTERNOON OF SAID DAY BY ME, \_\_\_\_\_  
AND COMMUNITY FACILITIES DISTRICT NO. 05-1, BY THE OFFICE OF THE COUNTY  
RECORDER IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.

FILE NO. \_\_\_\_\_  
LARRY W. HARRIS, RIVERSIDE COUNTY ASSESSOR-CLERK-RECORDER  
BY: \_\_\_\_\_  
CITY: \_\_\_\_\_

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWS PROPOSED  
BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 05-1  
CALIFORNIA, IN THE COUNTY OF RIVERSIDE, STATE OF  
CALIFORNIA, AS A RESULT OF A PUBLIC HEARING OF THE  
BOARD OF SUPERVISORS AT A REGULAR MEETING HELD ON THE  
DAY OF \_\_\_\_\_, 2008.  
BY ITS REGISTRATION NO. \_\_\_\_\_

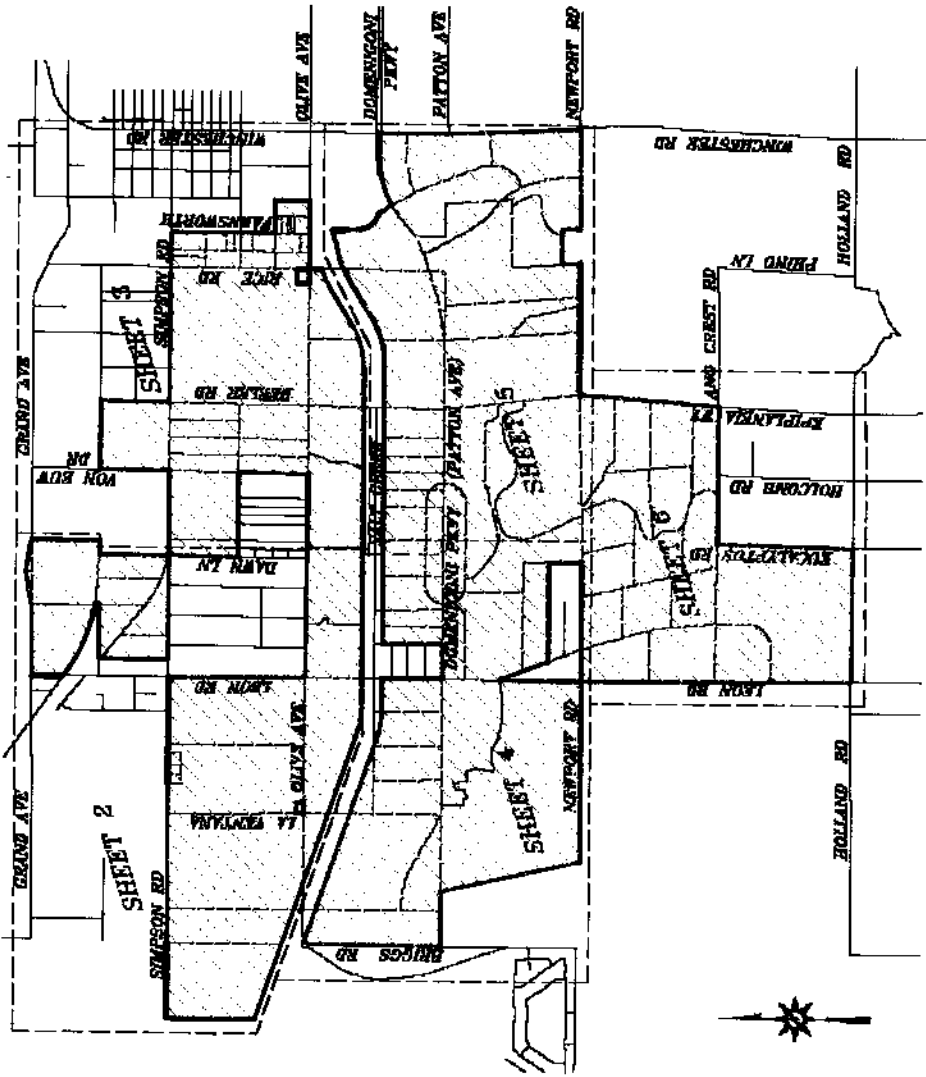
CLERK OF THE BOARD OF SUPERVISORS

FILED IN THE OFFICE OF THE CLERK OF THE BOARD OF SUPERVISORS  
OF THE COUNTY OF RIVERSIDE STATE OF CALIFORNIA  
THIS DAY OF \_\_\_\_\_, 2008

CLERK OF THE BOARD OF SUPERVISORS

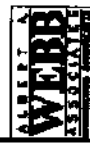
LEGEND  
—— DISTRICT BOUNDARY

ASSESSOR PARCEL NUMBERS PER  
OFFICIAL RECORDS OF RIVERSIDE  
COUNTY AS OF JUNE 1, 2008.

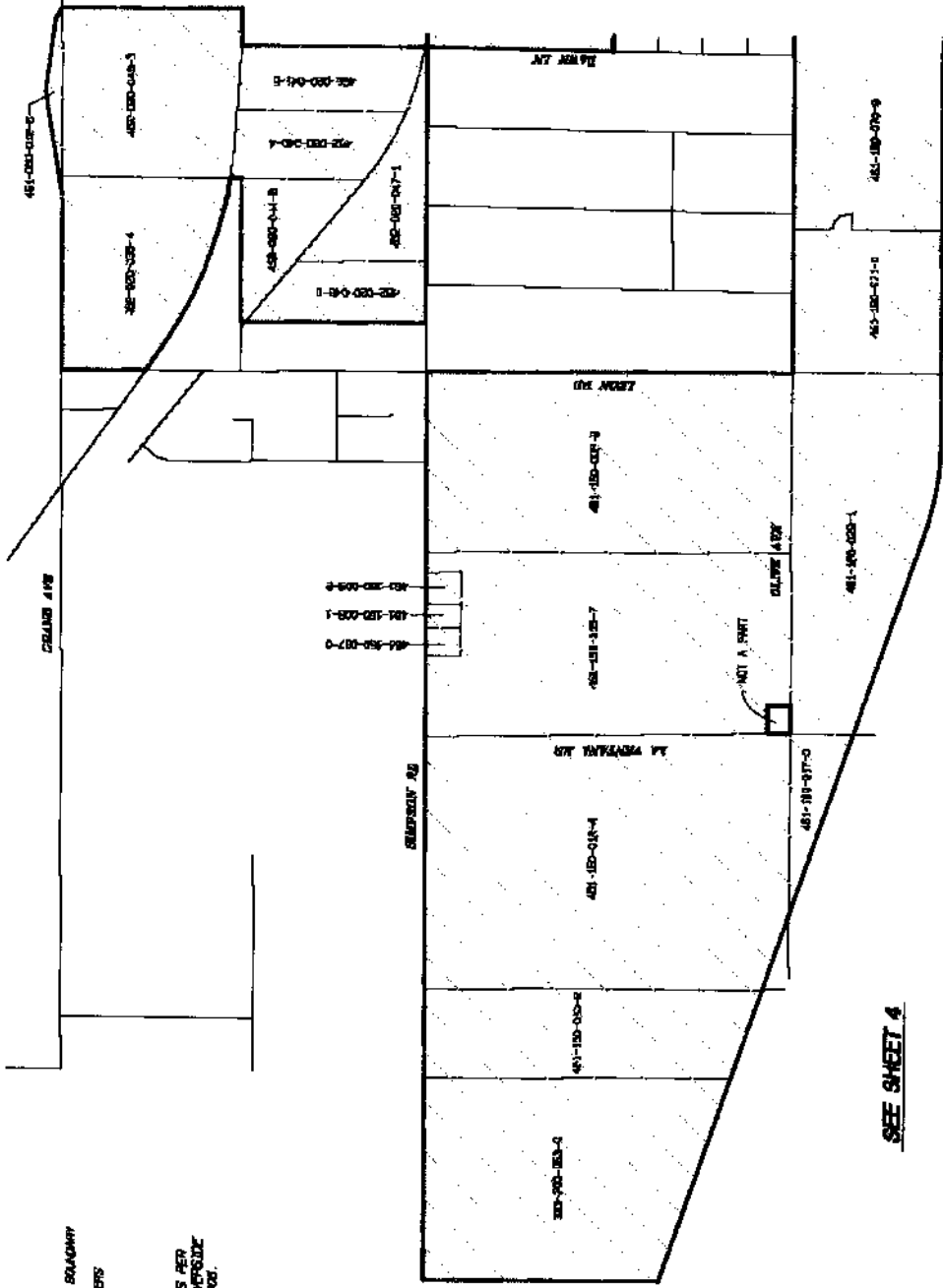


INDEX MAP  
NOT TO SCALE

THIS BOUNDARY MAP CORRECTLY SHOWS THE BOUNDARIES OF THE  
COMMUNITY FACILITIES DISTRICT. FOR DETAILS CONCERNING THE  
LINES AND DIMENSIONS OF LOTS OR PARCELS REFER TO THE COUNTY  
ASSESSOR'S MAPS FOR FISCAL YEAR 2008-2009.



**PROPOSED BOUNDARIES  
COMMUNITY FACILITIES DISTRICT NO. 05-1  
(SALT CREEK BRIDGES)  
OF THE COUNTY OF RIVERSIDE STATE OF CALIFORNIA**



**LEGEND**

— DISTRICT BOUNDARY

— APN NUMBERS

ASSESSOR PARCEL NUMBERS PER OFFICIAL RECORDS OF RIVERSIDE COUNTY AS OF JUNE 1, 2008.

SEE SHEET 3



SEE SHEET 4

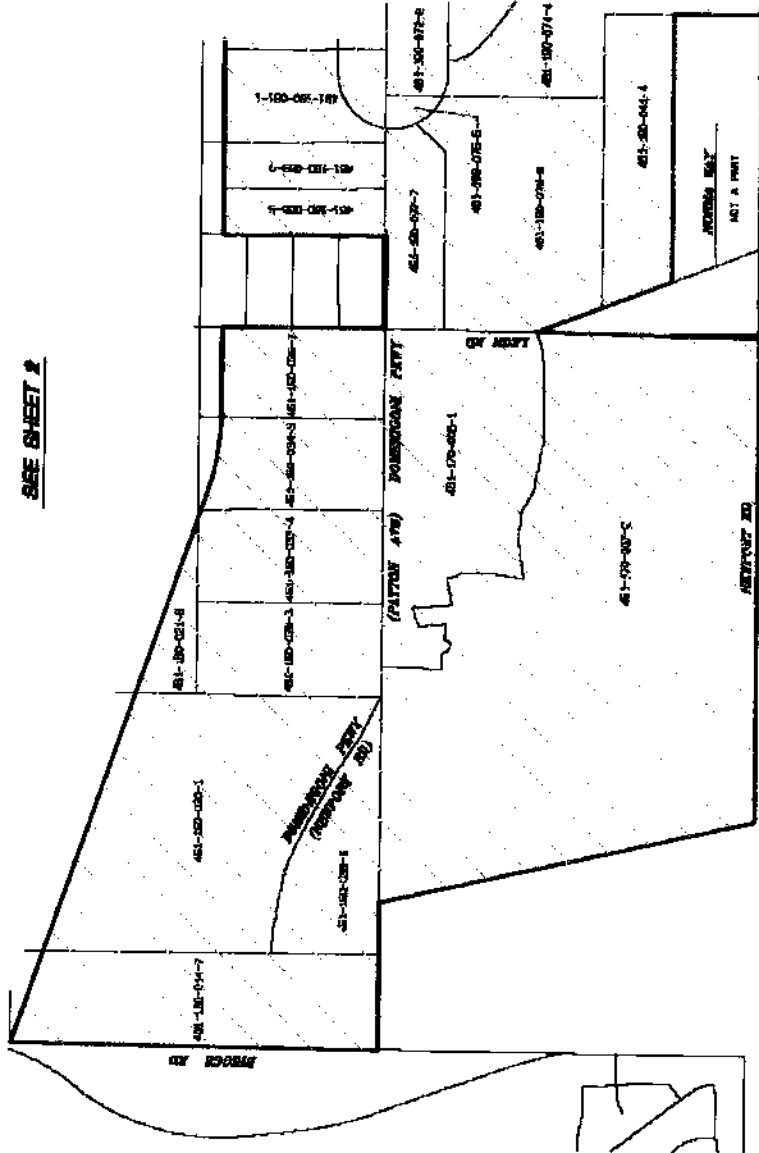




**PROPOSED BOUNDARIES  
COMMUNITY FACILITIES DISTRICT NO. 05-1  
(SALT CREEK BRIDGES)  
OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

**LEGEND**  
— DISTRICT BOUNDARY  
— APN NUMBERS

ASSESSOR PARCEL NUMBERS ARE  
OFFICIAL RECORDS OF RIVERSIDE  
COUNTY AS OF JUNE 1, 2008.



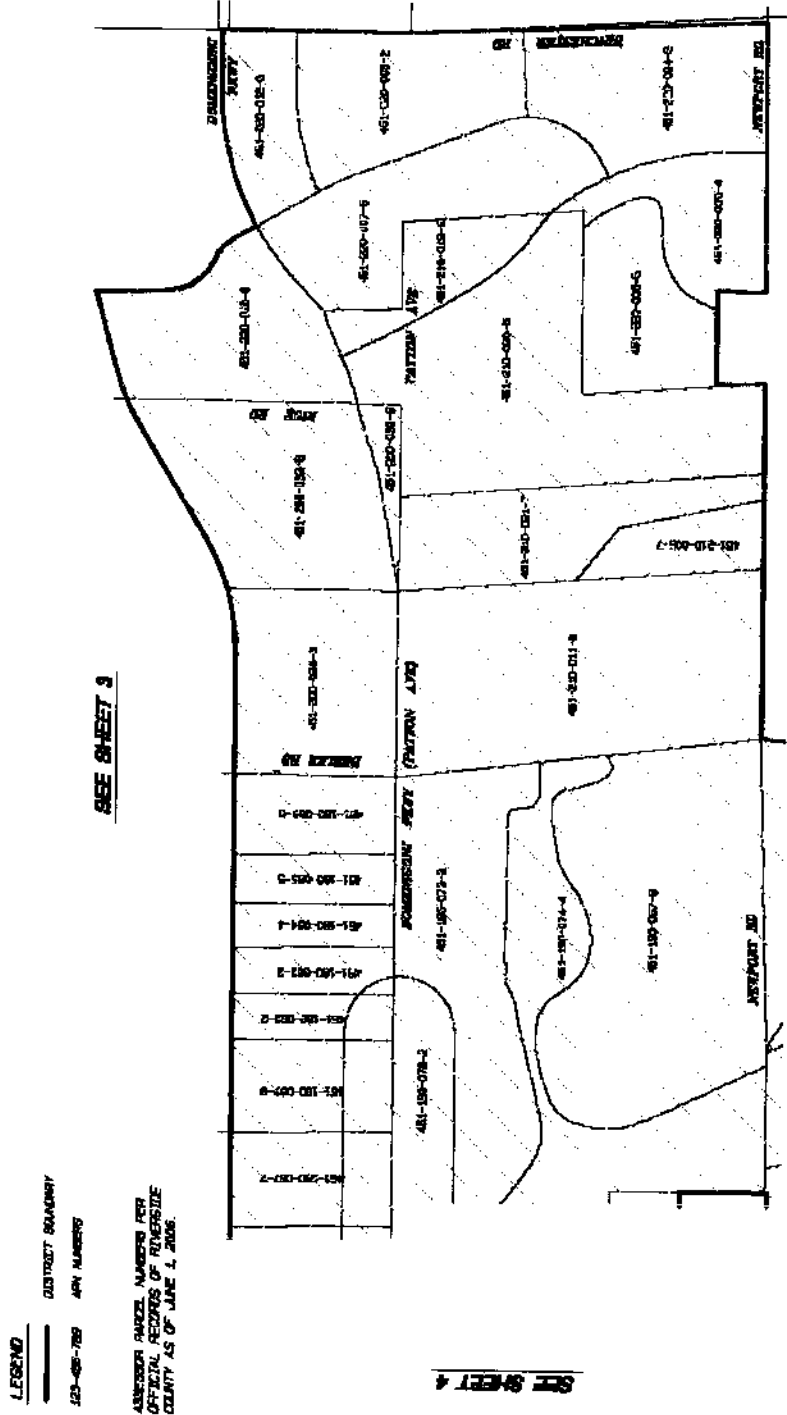
SEE SHEET 2

SEE SHEET 6

SEE SHEET 6



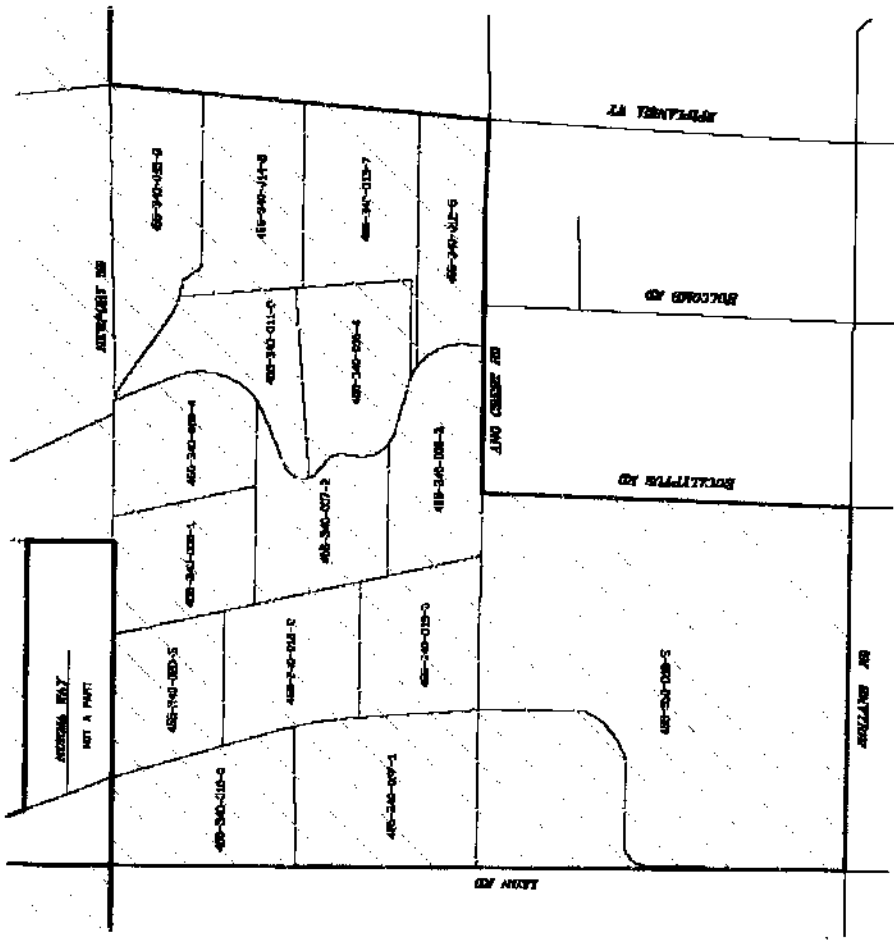
**PROPOSED BOUNDARIES  
COMMUNITY FACILITIES DISTRICT NO. 05-1  
(SALT CREEK BRIDGES)  
OF THE COUNTY OF RIVERSIDE STATE OF CALIFORNIA**



# PROPOSED BOUNDARIES COMMUNITY FACILITIES DISTRICT NO. 05-1 (SALT CREEK BRIDGES) OF THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

SEE SHEET 5

SEE SHEET 4



LEGEND  
 DISTRICT BOUNDARY  
 05-00-700 APN NUMBERS  
 ASSessor PARCEL NUMBERS PER OFFICIAL RECORDS OF RIVERSIDE COUNTY AS OF JUNE 1, 2008.



**EXHIBIT C  
(FORM OF ADDENDUM TO BE RECORDED)**

**ASSIGNED SPECIAL TAXES**

Land Use Category	Taxable Parcel/Acre	Assigned Special Tax Per Parcel/Acre
1 – Single Family Property	Parcel	\$ -
2. – Multifamily Property	Acre	\$-
3 - Non – Residential Property	Acre	\$-

**\* For each Fiscal Year following Fiscal Year following 2007-2008, such Assigned Special Tax shall increase by an amount equal to 2.00% of the Assigned Special Tax in effect for the prior Fiscal Year.**

**EXHIBIT "D"**  
**CFD 05-1 (SALT CREEK BRIDGES)**  
**CFD EXEMPTION**

That portion of the west half of the southwest quarter of Section 33, Township 5 South, Range 2 West, San Bernardino Meridian, in the County of Riverside, California, also being a portion of Parcel 2 of Lot Line Adjustment No. 4964 recorded May 24, 2006 as Instrument No. 2006-0374955, Grant Deed recorded May 24, 2006 as Instrument No. 2006-0374958, said portion being described as follows:

**COMMENCING** at the southwest corner of said Section 33, said corner also being the southwest corner of said Parcel 2;

Thence North  $05^{\circ}12'06''$  West along the westerly line of said Section 33 and along the westerly line of said Parcel 2, a distance of 1163.88 feet to a point thereon;

Thence North  $84^{\circ}47'54''$  East, perpendicular to said westerly line, a distance of 274.92 feet to the **TRUE POINT OF BEGINNING**;

Thence North  $60^{\circ}57'54''$  East, a distance of 241.72 feet;

Thence North  $00^{\circ}28'14''$  East, a distance of 216.57 feet to the beginning of a non-tangent curve, concave to the north, having a radius of 628.00 feet, the radial line from said point bears North  $00^{\circ}28'14''$  East;

Thence easterly along said curve, to the left, through a central angle of  $00^{\circ}45'05''$ , an arc distance of 8.23 feet;

Thence North  $89^{\circ}43'09''$  East, a distance of 202.54 feet to the beginning of a tangent curve, concave to the north, having a radius of 1028.00 feet;

Thence easterly along said curve, to the left, through a central angle of  $00^{\circ}44'46''$ , an arc distance of 13.39 feet;

Thence South  $01^{\circ}01'37''$  East radial to said curve, a distance of 35.00 feet;

Thence North  $88^{\circ}58'23''$  East, a distance of 19.21 feet;

Thence South  $13^{\circ}23'01''$  East, a distance of 403.95 feet;

Thence South  $28^{\circ}06'16''$  West, a distance of 145.05 feet to the beginning of a non-tangent curve, concave to the south, having a radius of 100.00 feet, the radial line from said point bears South  $12^{\circ}52'05''$  West;

Thence westerly along said curve, to the left, through a central angle of  $20^{\circ}18'05''$ , an arc distance of 35.43 feet, to the beginning of a compound curve, concave to the south, having a radius of 441.20 feet, the radial line from said point bears South  $07^{\circ}26'00''$  East;

Thence westerly along said curve, to the left, through a central angle of  $09^{\circ}07'45''$ , an arc distance of 70.30 feet to the beginning of a reverse curve, concave to the northeast, having a radius of 250.91 feet, the radial line from said point bears North  $16^{\circ}33'45''$  West;

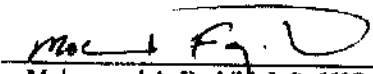
Thence westerly and northwesterly along said curve, to the right, through a central angle of  $82^{\circ}41'08''$ , an arc distance of 362.09 feet to the beginning of a reverse curve, concave to the southwest, having a radius of 229.55 feet, the radial line from said point bears South  $66^{\circ}07'23''$  West;

Thence northwesterly along said curve to the left, through a central angle of  $30^{\circ}52'36''$ , an arc distance of 123.70 feet to the **TRUE POINT OF BEGINNING**, the radial line from said point bears South  $35^{\circ}14'48''$  West.

Containing 4.68 acres, more or less.

SEE PLAT ATTACHED HERETO AND MADE A PART HEREOF

PREPARED UNDER MY SUPERVISION

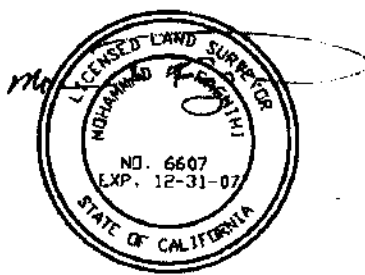
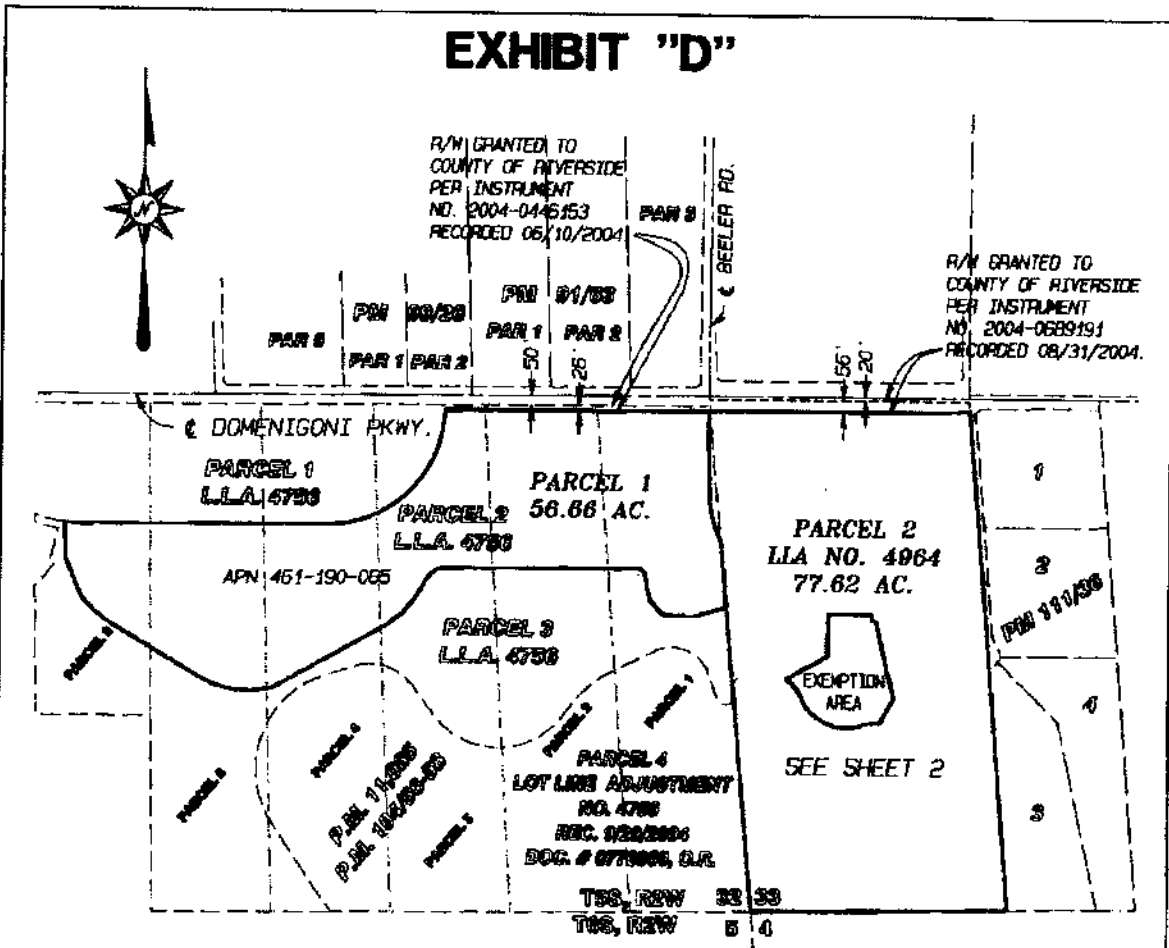
  
Mohammad A. Faghili, L.S. 6607

7/18/06  
Date



Prepared By:   
Checked By: 

# EXHIBIT "D"



ALBERT A. **WEBB** ASSOCIATES ENGINEERING CONSULTANTS

SEC 33, T.5 S., R.2 W., S.B.M.

## COUNTY OF RIVERSIDE, CALIFORNIA

File :G:\2005\05-0205\CFD Exemption Exhibit pro DATE PREPARED 7/18/2006

THIS PLAT IS SOLELY AN AID IN LOCATING THE PARCEL(S) DESCRIBED IN THE ATTACHED DOCUMENT. ALL PRIMARY CALLS ARE LOCATED IN THE WRITTEN DESCRIPTION. SHEET 1 OF 3 W.O. 02-424

SCALE: 1" = 800' DRWN BY *[Signature]* DATE 7/18/06 SUBJECT: CFD EXEMPTION EXHIBIT  
 CHKD BY *[Signature]* DATE 11/17/06



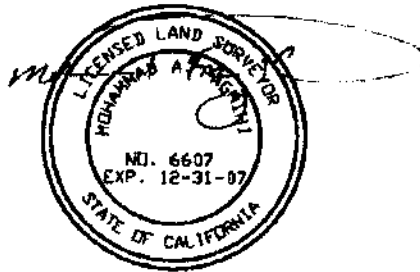
# EXHIBIT "D"

## LINE DATA

LINE	BEARING	DISTANCE
L1	N84°47'54"E	274.92'
L2	N60°57'54"E	241.72'
L3	N00°28'14"E	216.57'
L4	N89°43'09"E	202.54'
L5	S01°01'37"E	36.00'
L6	N88°58'23"E	19.21'
L7	S13°23'01"E	403.95'
L8	S28°06'16"W	145.05'

## CURVE DATA

CURVE	RADIUS	DELTA	LENGTH	TANGENT
C1	628.00'	0°45'05"	8.23'	4.42'
C2	1028.00'	0°44'46"	13.39'	6.69'
C3	100.00'	20°18'05"	35.43'	17.90'
C4	441.20'	9°07'45"	70.30'	36.22'
C5	260.91'	82°41'08"	362.09'	220.76'
C6	229.55'	30°52'36"	123.70'	63.39'



ALBERT A.  
**WEBB**  
ASSOCIATES  
ENGINEERING CONSULTANTS

SEC 33, T.5 S., R.2 W., S.B.M.

### COUNTY OF RIVERSIDE, CALIFORNIA

File :G:\2005\05-0205\CFD Exemption Exhibit.prd

DATE PREPARED 7/18/2006

THIS PLAT IS SOLELY AN AID IN LOCATING THE PARCEL(S) DESCRIBED IN THE ATTACHED DOCUMENT. ALL PRIMARY CALLS ARE LOCATED IN THE WRITTEN DESCRIPTION.

SHEET 3 OF 3

W.O.  
02-424

DRWN BY *[Signature]* DATE 7/18/06  
CHKD BY *[Signature]* DATE 7/18/06

SUBJECT: CFD EXEMPTION EXHIBIT