

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

155C



**FROM:** County Executive Office

**SUBMITTAL DATE:**  
June 19, 2007

**SUBJECT:** Ordinance No. 870 An Ordinance of the County of Riverside Authorizing The Levy of a Special Tax within Community Facilities District No. 07-2 (Clinton Keith) of the County of Riverside.

**RECOMMENDED MOTION:** That the Board of Supervisors, introduce Ordinance No. 870 authorizing the Levy of a Special Tax within Community Facilities District No. 07-2 (Clinton Keith), and then adopt at the next board meeting, which in this case will be June 26, 2007, said Ordinance No. 870.

**BACKGROUND:** On May 8, 2007, the Board of Supervisors adopted Resolution No. 2007-189 declaring its intent to form Community Facilities District No. 07-2 of the County of Riverside ("CFD 07-2"), and calling a public hearing for June 12, 2007. The Board also adopted Resolution No. 2007-190 declaring its intent to incur bonded indebtedness in an amount not to exceed \$60,000,000 within the proposed boundaries of CFD 07-2.

On June 12, 2007, the public hearing was convened. During the hearing, the Board adopted Resolution No. 2007-287 authorizing the modification of the Resolution of Intention so as to modify the Rate and Method of apportionment to clarify certain language within the document for ease of administration.

(Continued on Page 2)

Departmental Concurrence

COUNTY COUNSEL

JUN 13 2007

*[Signature]*  
Dale A. Gardner

*[Signature]*  
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** BY: *[Signature]*  
Dean Deines

MINUTES OF THE BOARD OF SUPERVISORS

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

Ayes: Buster, Tavaglione and Ashley  
Nays: None  
Absent: Stone and Wilson  
Date: June 19, 2007  
xc: E.O., COB  
*[Signature]*

Nancy Romero  
Clerk of the Board  
*[Signature]*  
Deputy

3.12

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

Form 11  
Ordinance No. 870  
June 19, 2007  
Page 2

At the conclusion of the public hearing the Board of Supervisors adopted Resolution No. 2007-286 and the Legislative Body adopted Resolution No. CFD 2007-05, both of which called an election of the qualified electors of the proposed Community Facilities District No. 07-2 (Clinton Keith) of the County of Riverside (the "CFD") for June 18, 2007 to consider the following proposition: should the CFD be able to incur bonded indebtedness in an aggregate principal amount of \$60,000,000 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 \$60,000,000.

The resolutions were consistent with the provisions of the Act, and allowed for the special election. The Clerk of the Board received ballots from the qualified electors by 5:00pm on or before June 18, 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. 870, on June 26, 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. 870 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 June 26, 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. 870, 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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WHEN RECORDED PLEASE MAIL TO:  
Tiffany N. North, Deputy County Counsel  
County of Riverside  
OFFICE OF COUNTY COUNSEL  
3535 Tenth Street, Suite 300 (Stop #1350)  
Riverside, CA 92501

[EXEMPT'6103]

**BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE**

IN RE ABATEMENT OF PUBLIC NUISANCE:	)	CASE NO. CV 05-5834
[EXCESSIVE OUTSIDE STORAGE AND	)	
ACCUMULATION OF RUBBISH]; APN 866-260-	)	FINDINGS OF FACT,
006, ONE LOT WEST OF 14979 NEIGHBORS	)	CONCLUSIONS AND ORDER TO
BLVD., BLYTHE, RIVERSIDE COUNTY,	)	ABATE NUISANCE
CALIFORNIA; WILLIAM G. RICE, OWNER.	)	
	)	[R.C.O. Nos. 348 (RCC Title 17), 541
	)	(RCC Title 8) and 725 (RCC Title 1)]
	)	
	)	
	)	
	)	

The above-captioned matter came on regularly for hearing on June 12, 2007, before the Board of Supervisors of the County of Riverside, State of California in the Board Room, First Floor Annex, County Administrative Center, 4080 Lemon Street, Riverside, California regarding the real property described One Lot West of 14979 Neighbors Blvd., Blythe, Riverside County, California and further described as Assessor's Parcel Number 866-260-006 and referred to hereinafter as "THE PROPERTY."

Tiffany N. North, Deputy County Counsel, appeared along with Jim Monroe, Code Enforcement Division Manager, on behalf of the Director of the Code Enforcement Department.

Julie Rice and Kari Sariano appeared on behalf of the owner and addressed the Board of Supervisors during the public hearing.

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1 The Board of Supervisors received the Declaration of the Code Enforcement Officer together  
2 with attached Exhibits, evidencing the excessive storage of materials and accumulation of rubbish on  
3 THE PROPERTY as violations of Riverside County Ordinance Nos. 348 (Riverside County Code  
4 Title 17) and 541 (Riverside County Code Chapter 8.120) and as a public nuisance.

5 **SUMMARY OF EVIDENCE**

6 1. Documents of record in the Riverside County Recorder's Office identify the owner  
7 of THE PROPERTY as William G. Rice. ("OWNER").

8 2. Documents of title indicate that no other parties potentially hold a legal interest in  
9 THE PROPERTY.

10 3. THE PROPERTY was inspected by Code Enforcement Officers on October 26, 2006,  
11 December 21, 2006, March 21, 2007 May 2, 2007 and June 11, 2007.

12 4. During each inspection, the outside storage of materials in excess of 200 square feet  
13 and accumulation of rubbish were observed on THE PROPERTY. The materials included but were  
14 not limited to: metal, wood, appliances, auto parts, household trash, glass, repair tools, boats, metal  
15 barrels, used car tires, and green waste. The total area of excess outside storage of materials and  
16 accumulated rubbish consisted of approximately twenty two thousand eight hundred (22,800) square  
17 feet.

18 5. THE PROPERTY was determined to be in violation of Riverside County Ordinance  
19 Nos. 348 (RCC Title 17) and 541 (RCC Chapter 8.120) by the Code Enforcement Officer.

20 6. A Notice of Noncompliance was recorded on March 20, 2007 as Document Number  
21 2007-0187751 in the Office of the County Recorder, County of Riverside.

22 7. On October 26, 2006, a Notice of Violation for violation of Riverside County  
23 Ordinance Nos. 348 and 541 was posted on THE PROPERTY. On November 20, 2006, Notices of  
24 Violation were mailed to OWNER and Tenant/Occupant by certified mail, return receipt requested.

25 8. On May 1, 2007, a "Notice To Correct County Ordinance Violations and Abate  
26 Public Nuisance" providing notice of the public hearing before the Board of Supervisors on June 12,  
27 2007 was mailed by certified mail, return receipt requested, to THE OWNER, Julie Rice, and  
28 Tenant/Occupant and was posted on THE PROPERTY on May 2, 2007.

1 **FINDINGS AND CONCLUSIONS**

2 WHEREFORE, the Board of Supervisors of the County of Riverside, State of California, in  
3 regular session assembled on June 12, 2007 finds and concludes that:

4 1. WHEREAS, the excessive outside storage of materials and accumulation of rubbish  
5 on the real property located at One Lot West of 14979 Neighbors Blvd., Blythe, Riverside County,  
6 California, also identified as Assessor's Parcel Number 866-260-006 violates Riverside County  
7 Ordinance Nos. 348 (RCC Title 17) and 541 (RCC Chapter 8.120) and constitutes a public nuisance.  
8 Under Riverside County Ordinance Nos. 348 and 541, no amount of rubbish and excess outside  
9 storage is allowed to be accumulated on THE PROPERTY.

10 2. WHEREAS, THE OWNER, occupants or any person having possession or control of  
11 the premises should abate the condition by removing and disposing of the excess outside storage of  
12 materials and accumulation of rubbish from the subject real property in strict accordance with all  
13 Riverside County Ordinances, including but not limited to Riverside County Ordinance Nos. 348  
14 (RCC Title 17) and 541 (RCC Chapter 8.120) within ninety (90) days.

15 3. WHEREAS, THE CODE ENFORCEMENT DEPARTMENT is directed to monitor  
16 the progress of the abatement of the excess outside storage of materials and accumulated rubbish and  
17 report back to the Board of Supervisors on the progress of the abatement within ninety (90) days.

18 4. WHEREAS, THE OWNER AND INTERESTED PARTIES ARE HEREBY  
19 FURTHER NOTICED that the time within which judicial review of the administrative  
20 determinations made herein must be sought is ninety (90) days from the posting and mailing of the  
21 Findings of Fact, Conclusions and Order To Abate Nuisance, and is governed by California Code of  
22 Civil Procedure Section 1094.6.

23 **ORDER TO ABATE NUISANCE**

24 IT IS THEREFORE ORDERED that the excess outside storage of materials and  
25 accumulation of rubbish on THE PROPERTY be abated by the OWNER, specifically William G.  
26 Rice or anyone having possession or control of THE PROPERTY, by removing and disposing of the  
27 excess outside storage of materials in excess of two hundred (200) square feet and the accumulation  
28 of rubbish from the subject real property in strict accordance with all Riverside County Ordinances,

1 including but not limited to Riverside County Ordinance Nos. 348 (RCC Title 17) and 541 (RCC  
2 Chapter 8.120) within ninety (90) days of the date of this Order to Abate Nuisance.

3 IT IS FURTHER ORDERED that if the excess outside storage of materials and accumulated  
4 rubbish are not removed and disposed of in strict accordance with all Riverside County Ordinances,  
5 including but not limited to Riverside County Ordinance Nos. 348 (RCC Title 17) and 541 (RCC  
6 Chapter 8.120) within ninety (90) days of the date of this Order to Abate Nuisance, the excess  
7 outside storage of materials and accumulation of rubbish shall be abated by representatives of the  
8 Riverside County Code Enforcement Department, a contractor or the Sheriff's Department upon  
9 receipt of an owner's consent or a Court Order when necessary under applicable law.

10 IT IS FURTHER ORDERED that reasonable abatement costs, after notice and opportunity  
11 for hearing, shall be imposed as a lien on THE PROPERTY, which may be collected as a special  
12 assessment against the property pursuant to Government Code section 25845 and Riverside County  
13 Ordinance Nos. 348 (RCC Title 17), 541 (RCC Chapter 8.120), and 725 (RCC Chapter 1.16). Under  
14 Riverside County Ordinance No. 725, "abatement costs" means "any costs or expenses reasonably  
15 related to the abatement of conditions which violate County Land Use Ordinances, and shall include,  
16 but not be limited to, enforcement, investigation, collection and administrative costs, attorneys fees,

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1 and the costs associated with the removal or correction of the violation.” Reasonable abatement  
2 costs accrued by the Code Enforcement Department will be recoverable from the property owner(s)  
3 even if THE PROPERTY is brought into compliance within ninety (90) days of the date of this  
4 Order to Abate Nuisance.

5  
6 Dated: \_\_\_\_\_

COUNTY OF RIVERSIDE

7  
8 By \_\_\_\_\_  
9 John Tavaglione  
Chairman, Board of Supervisors

10 ATTEST:  
11 NANCY ROMERO  
12 Clerk to the Board

13  
14 By  
15 Deputy  
16 (SEAL)

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**COUNTY OF RIVERSIDE**

**ORDINANCE NO. 870**

**AN ORDINANCE OF THE COUNTY OF RIVERSIDE  
AUTHORIZING THE LEVY OF A SPECIAL TAX WITHIN  
COMMUNITY FACILITIES DISTRICT NO. 07-2 (CLINTON  
KEITH) OF THE COUNTY OF RIVERSIDE**

**WHEREAS**, on May 8, 2007, 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. 2007-189 (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. 07-2 (Clinton Keith) of the County of Riverside (the "District"), and to authorize the levy of special taxes to finance certain public facilities (the "Facilities") and setting June 12, 2007, as the date for a public hearing to be held on the establishment of the Community Facilities District;

**WHEREAS**, on May 8, 2007, the Board of Supervisors also adopted Resolution No. 2007-190 (the "Resolution to Incur Bonded Indebtedness"), calling for a public hearing to be held on June 12, 2007, to consider the proposed issuance of debt in an amount not to exceed \$60,000,000 for the Community Facilities District in accordance with the Resolution to Incur Bonded Indebtedness;

**WHEREAS**, on June 12, 2007, the Board of Supervisors opened, 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 specified types of public facilities and the proposed debt issuance were heard, written protests, if any, were received and a full and fair hearing was held;

**WHEREAS**, subsequent to the hearings, the Board of Supervisors adopted Resolution No. 2007-286 (the "Resolution of Formation"), establishing the District, authorizing the levy of a

1 special tax within the District to finance the Facilities and establishing an appropriations limit for the  
2 District;

3 **WHEREAS**, subsequent to the hearings, the Board of Supervisors also adopted Resolution  
4 No. CFD 2007-04, deeming it necessary to incur bonded indebtedness in the maximum amount of  
5 \$60,000,000;

6 **WHEREAS**, subsequent to the hearings, the Board of Supervisors adopted Resolution  
7 No. CFD 2007-05 (the "Resolution Calling Election"), calling a special election for the District for  
8 June 18, 2007, on the proposition to incur bonded indebtedness in a maximum amount of  
9 \$60,000,000, to levy a special tax within the District and to establish an appropriations limit for the  
10 District;

11 **WHEREAS**, pursuant to the terms of the Resolution Calling Election and the provisions of  
12 the Act, said special election was held on June 18, 2007;

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

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

17 **NOW, THEREFORE**, The Board of Supervisors of the County of Riverside **ORDAINS** as  
18 follows:

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

21 **Section 2.** By the passage of this Ordinance, the Board of Supervisors hereby authorizes and  
22 levies special taxes within the District pursuant to Sections 53328 and 53340 of the Government  
23 Code, at the rate and in accordance with the method of apportionment (the "Rate and Method") set  
24 forth in the Resolution of Formation and attached as Exhibit A hereto and made a part hereof. The  
25 special taxes are hereby levied commencing in fiscal year 2007-08 and in each fiscal year thereafter  
26 for the period necessary to satisfy the Special Tax Requirement (as defined in the Rate and Method),  
27 but in no event shall it be levied after fiscal year 2044-45.

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

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

9           **Section 5.** All of the collections of the special tax shall be used as provided for in the Act,  
10 the Rate and Method and the Resolution of Formation, including, but not limited to, the payment of  
11 principal of and interest on the bonds of the District ("Bonds"), the payment of the costs of the  
12 Facilities, the replenishment of the reserve fund for the Bonds, the payment of the costs of  
13 administering the District and the costs of collecting and administering the special tax.

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

25           Notwithstanding the foregoing, the Board of Supervisors, acting as the Legislative Body of  
26 the District, may collect, or cause to be collected, one or more installments of the special taxes by  
27 means of direct billing by the District of the property owners within the District if, in the judgment of  
28

1 the Legislative Body, such means of collection will reduce the burden of administering the District  
2 or is otherwise appropriate in the circumstances. In such event, the special taxes shall become  
3 delinquent if not paid when due as set forth in any such respective billing to the property owners.

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

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

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

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

18  
19  
20 \_\_\_\_\_  
Chairman of the Board of Supervisors

21 ATTEST:  
22 Nancy Romero  
23 Clerk to the Board of Supervisors

24 By: \_\_\_\_\_  
25 Deputy

FORM APPROVED  
COUNTY COUNSEL

JUN 13 2007

26 BY *Dale A. Gardner*  
27 Dale A. Gardner  
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**EXHIBIT A**

**AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT OF  
SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 07-2  
(CLINTON KEITH) OF THE COUNTY OF RIVERSIDE**

**(See the following 30 pages.)**

**AMENDED AND RESTATED RATE AND METHOD OF APPORTIONMENT OF  
SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 07-2  
(CLINTON KEITH)  
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. 07-2 (Clinton Keith) 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 Special Tax for each category of Taxable Property. All real property within the CFD 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 that 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 parcel(s), lot(s) or units(s) of Taxable Property not classified as Public Property or Property Owners’ Association 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 an official map of the Assessor of the County designating Parcels by Assessor Parcel Number.

**“Assessor’s Parcel Number”** means the number assigned by the Assessor of the County for a Parcel on an Assessor’s Parcel Map.

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

**“Assumed Administrative Expenses”** means (a) for Fiscal Year 2007-2008, \$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 June 30 in such Fiscal Year, by 2.00% 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.

**“Building Permit”** means a building permit issued by the County (or another public agency in the event the County no longer issues such permits) for new construction.

**“CFD”** means Community Facilities District No. 07-2 (Clinton Keith) of the County established pursuant to the Act and identified by the Boundary Map attached as Exhibit A.

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

**“Developed Property”** means, for each Fiscal Year, all parcel(s), lot(s) or unit(s) of Taxable

Property, not classified as Public Property 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 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 parcel(s), lot(s) or unit(s) 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.

**“Land Use Category”** means any of the following land use categories: Single Family Property, Multifamily Property, Non-Residential Property, Undeveloped Property, Public Property and Property Owners' 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, with respect to a Land Use Category, for each Fiscal Year, the maximum Special Tax which can be levied in such Fiscal Year on any Parcel, determined in accordance with Section C., below.

**“Multifamily Property”** means, for each Fiscal Year, any parcel, lot or unit of Residential Property for which a building permit can or has been issued for attached or detached residential units in a development that has a density of greater than eight (8) Residential Dwelling Units per gross acre, as recorded on a Final Map or as determined by the Administrator.

**"Multiple Land Use Property"** means, for each Fiscal Year, all parcels of 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, an individual legal lot 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 or is identified on a Final Map as common area to be owned by a property owners' 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, 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, is the same for all Parcels of Approved Property, (iii) 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 Parcels of Undeveloped Property, and (iv) 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 Parcels of Public Property and/or Property Owners' Association Property, that is not Exempt 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.

**"RDU"** means Residential Dwelling Unit.

**"Residential Dwelling Unit"** means, for each Fiscal Year, a building or portion thereof on a Parcel intended for use by one (1) family and containing but one (1) kitchen, which is designed primarily for residential occupancy including single family and multifamily dwellings. Residential Dwelling Unit shall not include hotels or motels.

**"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/or 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, lot or unit of Residential Property for which a building permit can or has been issued for attached or detached residential units in a development that has a density of eight (8) Residential Dwelling Units to the gross acre or less, as recorded on a Final Map or 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 authorized to be financed by the CFD, 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.

**“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 not classified as Developed Property, Approved Property, Public Property, or Property Owners’ Association Property and which is not otherwise Exempt Property pursuant to Section E

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

Each Fiscal Year in which the Special Tax is levied, all Parcels shall be categorized as either 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 Amended and Restated Rate and Method of Apportionment as determined pursuant to Sections C., D., and E., below. Developed Property and Approved

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 Developed Property that is Single Family or Multifamily 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 for each Parcel of Developed Property that is Non-Residential Property shall be the Assigned Special Tax determined pursuant to Section C.1.b, below.

**b. Assigned Special Tax**

For Fiscal Year 2007-2008, the Assigned Special Tax for each Parcel of Developed Property, except Multiple Land Use Property, shall be as described in Table 1 below:

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

Land Use Category	Taxable Parcel/Acre	Assigned Special Tax Per Parcel
1 – Single Family Property	RDU	\$ 1,049 per RDU
2. – Multifamily Property	RDU	\$ 795 per RDU
3 - Non – Residential Property	Acre	\$ 6,586 per Acre

**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.**

**c. Backup Special Tax**

(i) If the number of RDU of Single Family Property or Multifamily Property in a specific Final Map is equal to or greater than the proposed number of such RDUs listed in Table 2 below for the corresponding Final Map, the Backup Special Tax for each Parcel of Single Family Property and Multifamily Property that is Developed Property shall be the Assigned Special Tax for such Parcel at the time such Taxable Property becomes Developed Property.

(ii) If the number of RDUs of Single Family Property in a specific Final Map is less than the proposed number of RDU identified in Table 2 below for the corresponding Final Map, then the Backup Special Tax for each RDU of Single Family Property within said Final Map shall equal (x) the number of RDUs of Single Family Property identified in Table 2 below multiplied by the Assigned Special Tax for Single Family Property shown in Table 1, as increased in accordance with Section C.1.b., divided by (y) the number of RDUs of Single Family Property within such Final Map.

(iii) If the number of RDU of Single Family Property in a specific Final Map is subsequently changed or modified, then the Backup Special Tax shall be recalculated for each RDU of Single Family Property within the changed or modified area of said Final Map such that the modified Backup Special Tax for each such RDU of Single Family Property within such changed or modified area shall equal the aggregate Backup Special Tax within the changed or modified area prior to the change or modification in such Final Map divided by the number of RDUs of Single Family Property within such changed or modified area after the change or modification in such Final Map. For a Parcel of Single Family Property that is not changed or modified by changes or modifications to a Final Map, the Backup Special Tax shall not be recalculated.

(iv) If the number of RDU of Multifamily Property in a specific Final Map is less than the proposed number of RDU identified in Table 2 below for the corresponding Final Map, then the Backup Special Tax for each RDU of Multifamily Property within said Final Map shall equal (x) the number of RDUs of

Multifamily Property identified in Table 2 below multiplied by the Assigned Special Tax for Multifamily Property shown in Table 1 as increased in accordance with Section C.1.b., divided by (y) the number of RDUs of Multifamily Property within such Final Map.

(v) If the number of RDUs of Multifamily Property in a specific Final Map is subsequently changed or modified, then the Backup Special Tax shall be recalculated for each RDU of Multifamily Property within the changed or modified area of said Final Map such that the modified Backup Special Tax for each such RDU of Multifamily Property within such changed or modified area shall equal the aggregate Backup Special Tax within the changed or modified area prior to the change or modification in such Final Map divided by the number of RDUs of Multifamily Property within such changed or modified area after the change or modification in such Final Map. For a Parcel of Multifamily Property that is not changed or modified by changes or modifications to a Final Map, the Backup Special Tax shall not be recalculated.

TABLE 2  
Proposed Residential Dwelling  
 Units Per Tract

Final Map	Single Family RDU	Multifamily RDU
33170	140	0
32151	0	180
33307	41	0
30433	502	0
30694	81	0
30695	48	0
30695-1	59	0
30696-1	71	0
30696-F	38	0
30696-4	88	0
30696-2	69	0

Final Map	Single Family RDU	Multifamily RDU
30696-3	172	0
32289	197	0
32290-1	135	0
32290-2	166	0
32290-3	138	0
32290-4	267	0
32290-F	102	0
35328	38	0
28695	140	0
30430	117	0
32011	33	0
34324	0	122

**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 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**

**a. Maximum Special Tax**

The Maximum Special Tax for each Parcel of Approved Property that is Single Family or Multifamily Property shall be the greater of: (i) the applicable Assigned Special Tax set forth in Table 3, or (ii) the amount derived by application of the Backup Special Tax.

The Maximum Special Tax for each Parcel of Approved Property that is Non-Residential Property shall be the Assigned Special Tax set forth in Table 3, below.

**b. Assigned Special Tax**

For Fiscal Year 2007-2008, the Assigned Special Tax for each Parcel of Approved Property, except Multiple Land Use Property, shall be described in Table 3 below:

**TABLE 3**  
**Approved Property**  
**Assigned Special Taxes**  
**For Fiscal Year 2007-2008**

Land Use Category	Taxable Parcel/Acre	Assigned Special Tax Per Parcel
1 - Single Family Property	RDU	\$ 1,049 per RDU
2 - Multifamily Property	RDU	\$ 795 per RDU
3 - Non - Residential Property	Acre	\$ 6,586 per Acre

**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.**

**c. Backup Special Tax**

(i) If the number of RDU of Single Family Property or Multifamily Property in a specific Final Map is equal to or greater than the proposed number of such RDUs listed in Table 2 above for the corresponding Final Map, the Backup Special Tax

for each Parcel of Single Family Property and Multifamily Property that is Approved Property shall be the Assigned Special Tax for such Parcel at the time such Taxable Property becomes Approved Property.

(ii) If the number of RDU of Single Family Property in a specific Final Map is less than the proposed number of RDU identified in Table 2 above for the corresponding Final Map, then the Backup Special Tax for each RDU of Single Family Property within said Final Map shall equal (x) the number of RDUs of Single Family Property identified in Table 2 above multiplied by the Assigned Special Tax for Single Family Property shown in Table 3, as increased in accordance with Section C.2.b., divided by (y) the number of RDUs of Single Family Property within such Final Map.

(iii) If the number of RDUs of Single Family Property in a specific Final Map is subsequently changed or modified, then the Backup Special Tax shall be recalculated for each RDU of Single Family Property within the changed or modified area of said Final Map such that the modified Backup Special Tax for each such RDU of Single Family Property within such changed or modified area shall equal the aggregate Backup Special Tax within the changed or modified area prior to the change or modification in such Final Map divided by the number of RDUs of Single Family Property within such changed or modified area after the change or modification in such Final Map. For a Parcel of Single Family Property that is not changed or modified by changes or modifications to a Final Map, the Backup Special Tax shall not be recalculated.

(iv) If the number of RDU of Multifamily Property in a specific Final Map is less than the proposed number of RDU identified in Table 2 above for the corresponding Final Map, then the Backup Special Tax for each RDU of Multifamily Property within said Final Map shall equal (x) the number of RDUs of Multifamily Property identified in Table 2 above multiplied by the Assigned Special Tax for Multifamily Property shown in Table 3 as increased in accordance with Section C.2.b., divided by (y) the number of RDUs of Multifamily Property within such Final Map.

(v) If the number of RDUs of Multifamily Property in a specific Final Map is subsequently changed or modified, then the Backup Special Tax shall be recalculated for each RDU of Multifamily Property within the changed or modified area of said Final Map such that the modified Backup Special Tax for each such

RDU of Multifamily Property within such changed or modified area shall equal the aggregate Backup Special Tax within the changed or modified area prior to the change or modification in such Final Map divided by the number of RDUs of Multifamily Property within such changed or modified area after the change or modification in such Final Map. For a Parcel of Multifamily Property that is not changed or modified by changes or modifications to a Final Map, the Backup Special Tax shall not be recalculated.

**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 Approved Property 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.

**3. Undeveloped Property, Property Owners' Association Property and Public Property.**

The Maximum Special Tax for each Parcel of Undeveloped Property, Property Owners' Association Property and Public Property is \$ 6,586 per Acre, times the Acreage of the Parcel.

**For each Fiscal Year following Fiscal Year 2007-2008, the Maximum Special Tax**

**for Undeveloped Property, Property Owners' Association Property and Public Property shall increase by an amount equal to 2.00% of the Maximum 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 in accordance with the following steps:

First: Prior to the issuance of Bonds, the Special Tax shall be levied on each Parcel of Developed Property at 100% of the applicable Assigned Special Tax to be applied to the cost of the facilities authorized to be financed by the CFD; subsequent to the issuance of the Bonds, 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 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;

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 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.

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

#### **E. EXEMPTIONS**

Land 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.

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 233.98 Acres of Public Property which include, but not limited to, public streets, water and sewer facilities, and/or flood control drainage channels but excluding Public Property owned by a public school district.
- (2) The Legislative Body shall not levy Special Taxes on up to 10.36 Acres of Public Property that is owned by a public school district.
- (3) In addition to the exempt Acres of Public Property included in (1) and (2) above, the Legislative Body shall not levy Special Taxes on up to 152.25 Acres of Public Property and/or Property Owners' Association Property that is property dedicated and restricted for the use as open space, park, public streets, recreation area or habitat reserve.
- (4) In addition to the exempt Acres of Property Owners' Association Property referenced in (3) above, the Legislative Body shall not levy Special Taxes on up to 6.95 Acres of Property Owners' Association Property that is dedicated and restricted for use as private

streets or golf course.

- (5) The Legislative Body shall not levy Special Taxes on up to 16.50 Acres that has been or is required to be dedicated to a public agency, or non-profit entity pursuant to the Western Riverside County multi-species habitat conservation plan (MSHCP).

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 acreage may be prepaid 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 fifth and sixth steps of Section D. above.

**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 \$33,992,560 expressed in 2007 dollars, based on proposed TUMF and RBBD fees by the Riverside County Transportation Land Management Agency and the Western Riverside Council of Governments 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 Amended and Restated 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.

### **1. 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.

## **2. Prepayment in Part**

The Maximum Special Tax on a Parcel of Developed Property or Approved Property may be partially prepaid in increments of \$2,500. For purposes of determining the partial prepayment amount, the provision of Section H.1 or H.2 shall be modified as provided by the following formula:

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

These terms have the following meaning:

PP = the partial prepayment

$P_E$  = the Prepayment Amount calculated according to Section H.1 or H.2

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

A = the Administrative Fees and Expenses determined pursuant to Section H.2

With respect to any Parcel for which the Maximum Special Tax obligation is partially prepaid, the Administrator shall (i) distribute the Partial Prepayment as provided in Paragraph 13 of Section H.2, and (ii) indicate in the records of the CFD that there has been a Partial Prepayment for the Parcel and that a portion of the Maximum Special Tax obligation equal to the remaining percentage (1.00 - F) of the Maximum Special Tax obligation will, and the Special Tax shall continue on the Parcel pursuant to Section D.

**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 2044-2045.

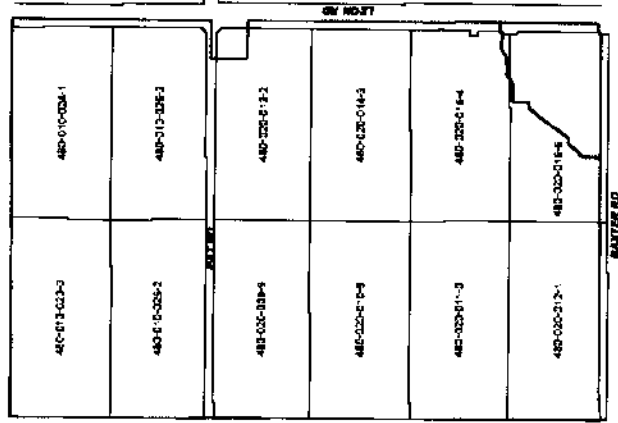


**PROPOSED BOUNDARIES OF  
COMMUNITY FACILITIES DISTRICT NO. 07-2  
(CLINTON KEITH)  
OF THE COUNTY OF RIVERSIDE  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

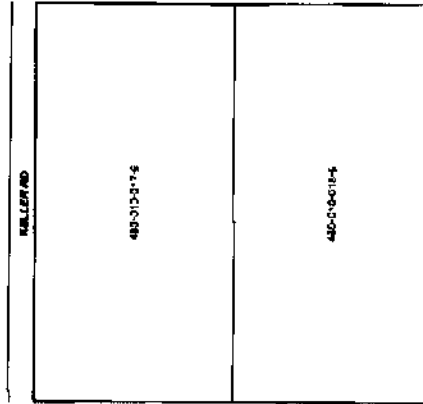


**LEGEND**  
 \_\_\_\_\_ TRACT BOUNDARY  
 \_\_\_\_\_ PARCEL LINE  
 TR XXXXX TRACT MAP  
 XXX-XXX-XXXX APN

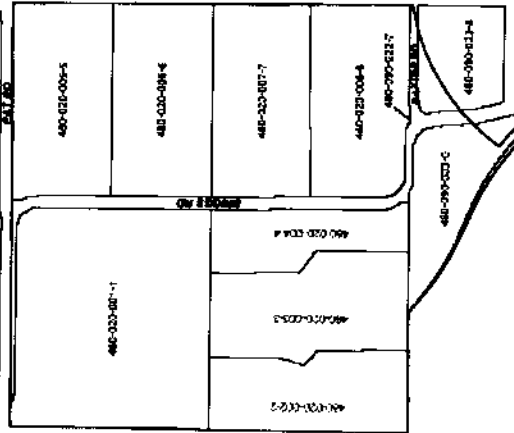
**TR 32290-1, 2, 3, 4**



**TR 32290**



**TR 30433**

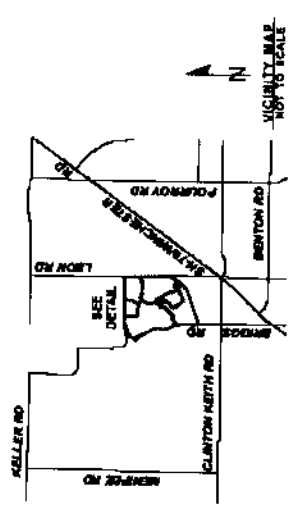


**WEBB**  
 A. S. O. G. A. I. S.  
 COUNTY ASSESSORS' MAPS FOR FISCAL YEAR 2008-2009

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 ASSESSORS' MAPS FOR FISCAL YEAR 2008-2009.

**NOT TO SCALE**

# PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 07-2 (CLINTON KEITH) OF THE COUNTY OF RIVERSIDE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



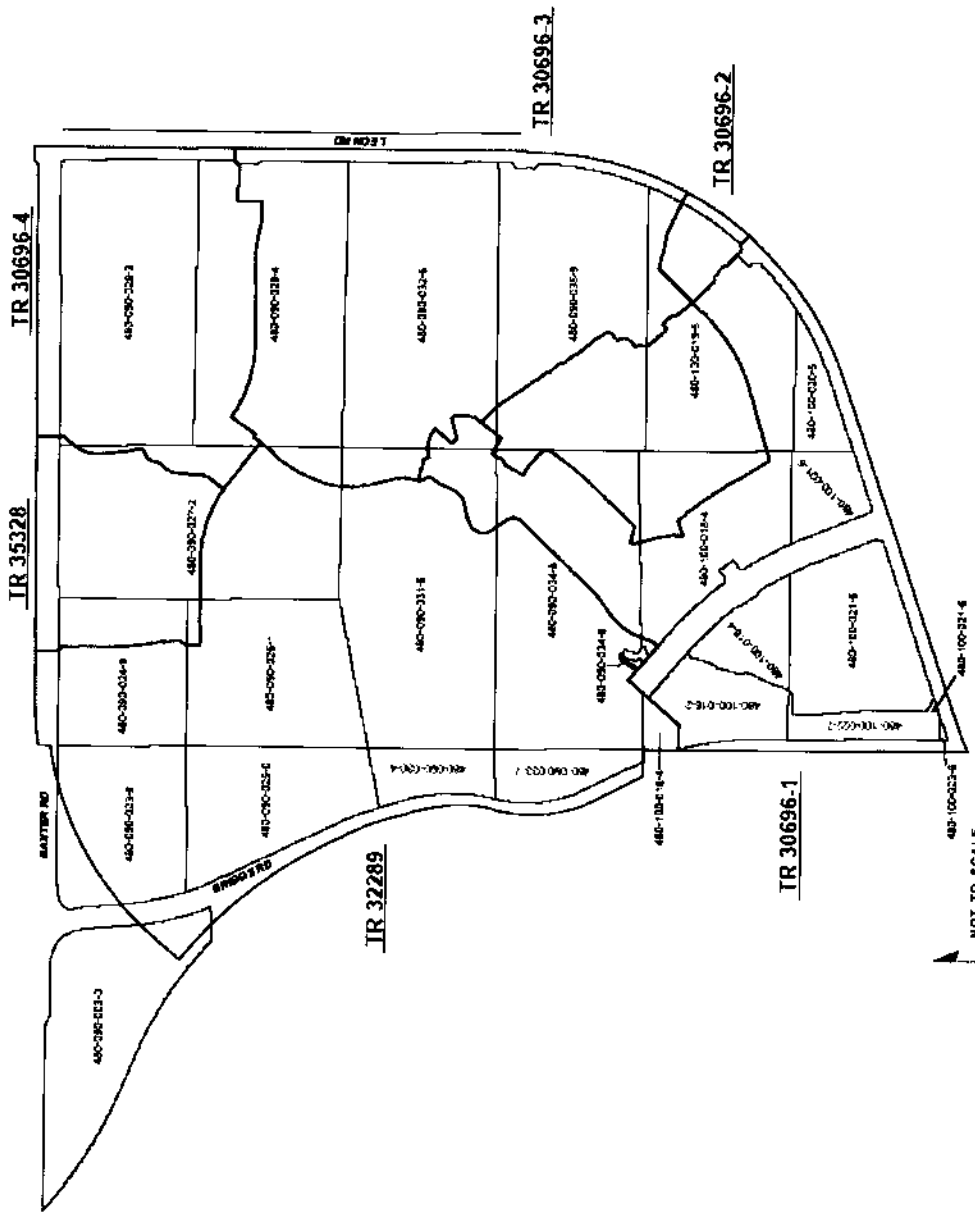
**LEGEND**

TRACT BOUNDARY

PARCEL LINE

TR XXXXX TRACT MAP

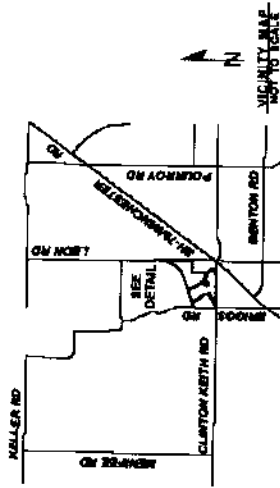
XXX-XXX-XXX-X APN



THIS BOUNDARY MAP CORRECTLY SHOWS THE BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT, FOR THE PURPOSES OF THE JUNE AND DIMENSIONS OF LOTS OR PARCELS REFER TO THE COUNTY ASSESSOR'S MAPS FOR ANSON, YEAR 2008-2007.

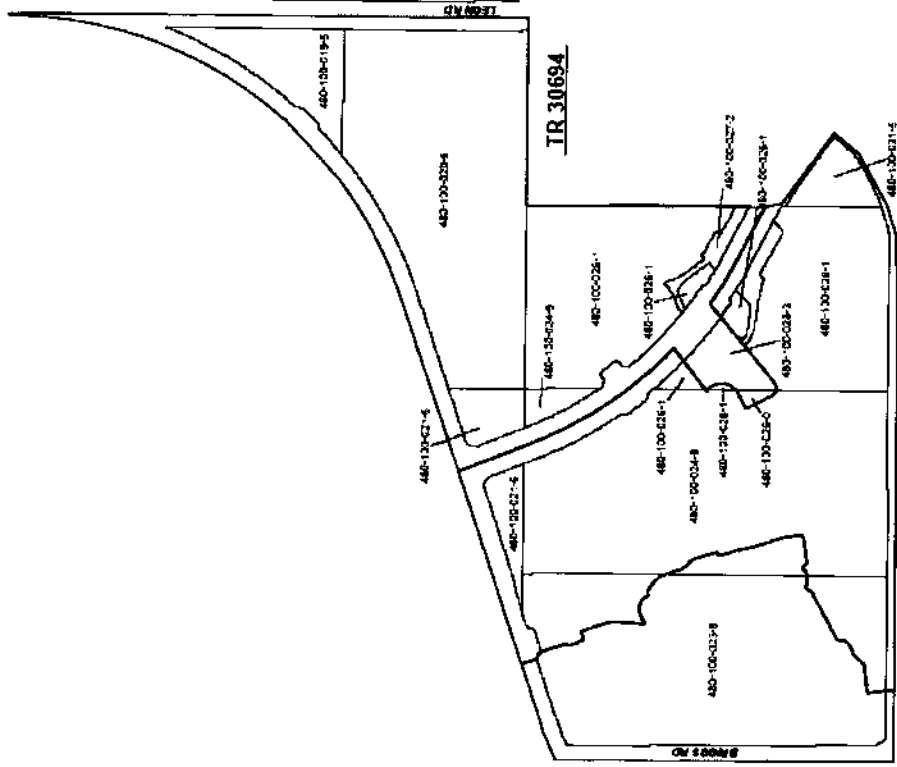


**PROPOSED BOUNDARIES OF  
COMMUNITY FACILITIES DISTRICT NO. 07-2  
(CLINTON KEITH)  
OF THE COUNTY OF RIVERSIDE  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**LEGEND**

TRACT BOUNDARY  
PARCEL LINE  
TR X X X X X TRACT MAP  
XXX-XXX-XXX-X APN



**WEBB**  
S. L. C. H. A.  
A. B. O. C. A. I. E. S.  
PLANNING DIVISION

THIS BOUNDARY MAP CORRECTLY SHOWS THE BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT FOR DETAILS CONCERNING THE LOTS AND PARCELS OF LOTS OF PARCELS REFER TO THE COUNTY ASSESSORS MAPS FOR FISCAL YEAR 2008/2007.

**PROPOSED BOUNDARIES OF  
COMMUNITY FACILITIES DISTRICT NO. 07-2  
(CLINTON KEITH)  
OF THE COUNTY OF RIVERSIDE  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

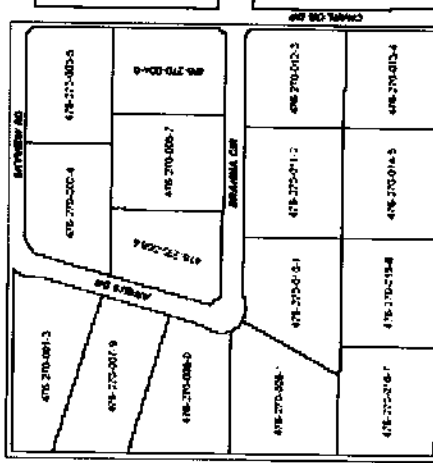


VICINITY MAP  
NOT TO SCALE

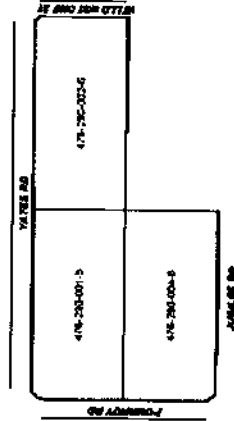
**LEGEND**

TRACT BOUNDARY  
PARCEL LINE  
TRACT MAP  
N.A.P.  
M.A.P.

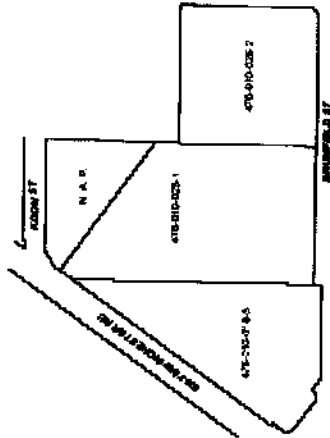
**IR 30430**



**IR 33307**



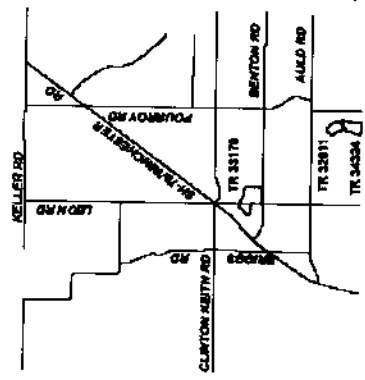
**IR 32151**



THIS BOUNDARY MAP CORRECTLY SHOWS THE BOUNDARIES OF  
THE COMMUNITY FACILITIES DISTRICT NO. 07-2 (CLINTON KEITH)  
THE LEGAL AND DIMENSIONS OF LOTS OF TRACTS ADJACENT TO THE  
COUNTY ASSESSORS MAP FOR FISCAL YEAR 2005-2007

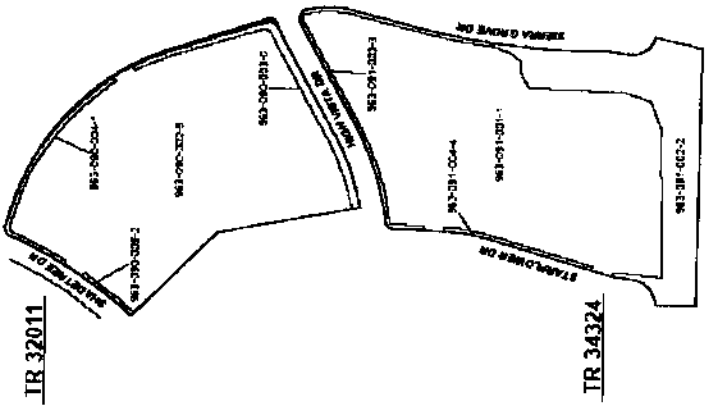
**A**  
**N** NOT TO SCALE

**PROPOSED BOUNDARIES OF  
COMMUNITY FACILITIES DISTRICT NO. 07-2  
(CLINTON KEITH)  
OF THE COUNTY OF RIVERSIDE  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



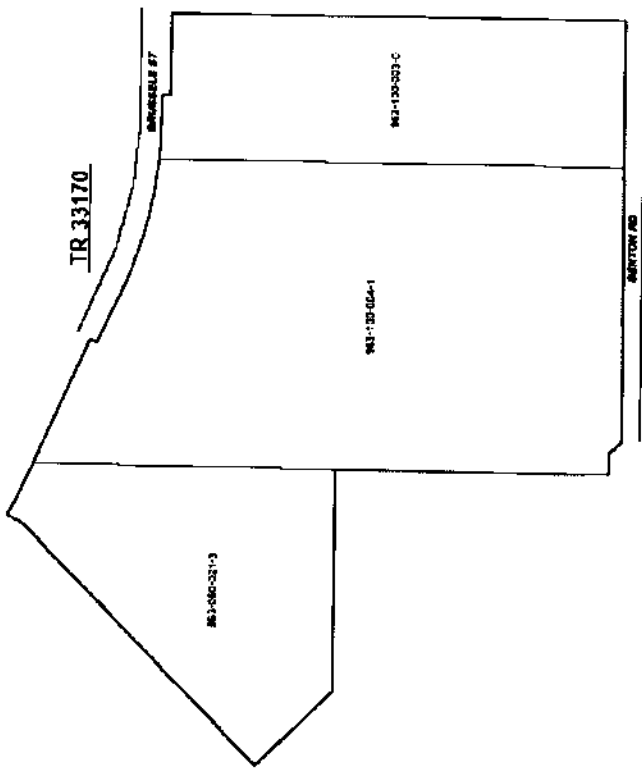
VICINITY MAP  
NOT TO SCALE

LEGEND  
 TRACT BOUNDARY  
 PARCEL LINE  
 TR XXXXX  
 XXX-XXX-XXXX APN



IR 32011

IR 34324

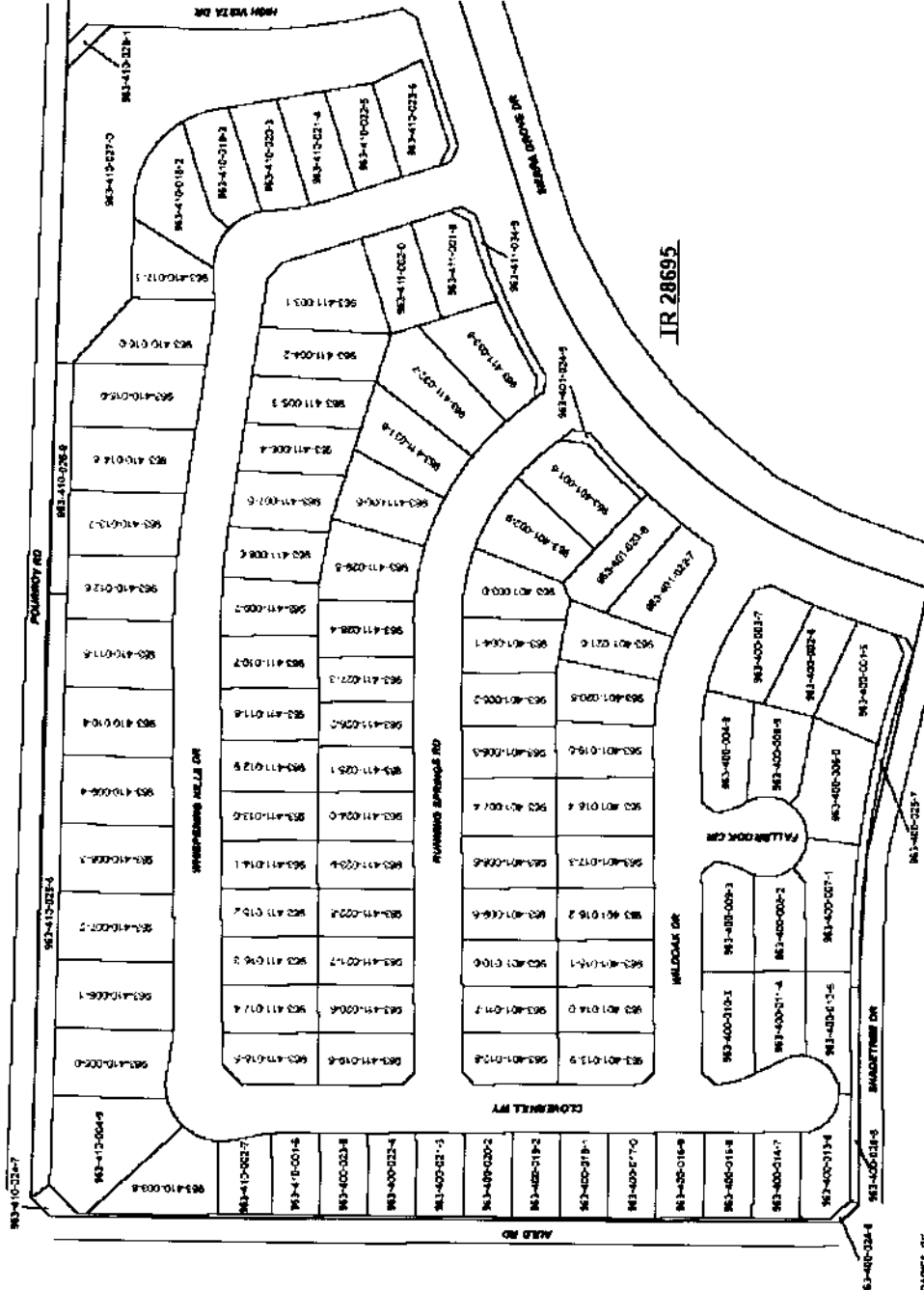
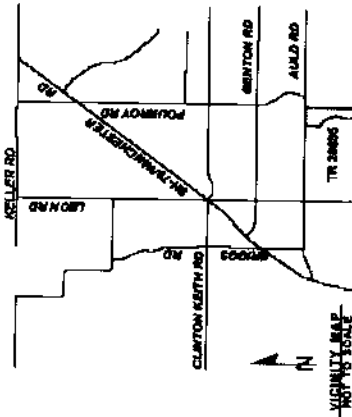


IR 33170

ALBERT A. WEBB  
 REGISTERED PROFESSIONAL LAND SURVEYOR  
 10000 WILSON AVENUE  
 SUITE 100  
 RIVERSIDE, CALIFORNIA 92504  
 (951) 514-1111

NOT TO SCALE

**PROPOSED BOUNDARIES OF  
COMMUNITY FACILITIES DISTRICT NO. 07-2  
(CLINTON KEITH)  
OF THE COUNTY OF RIVERSIDE  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



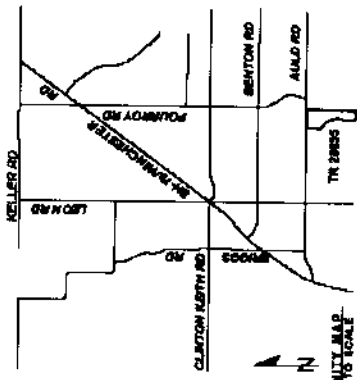
**LEGEND**

TRACT BOUNDARY  
 PARCEL LINE  
 TR XXXXX  
 XXX-XXX-XXX-X APN

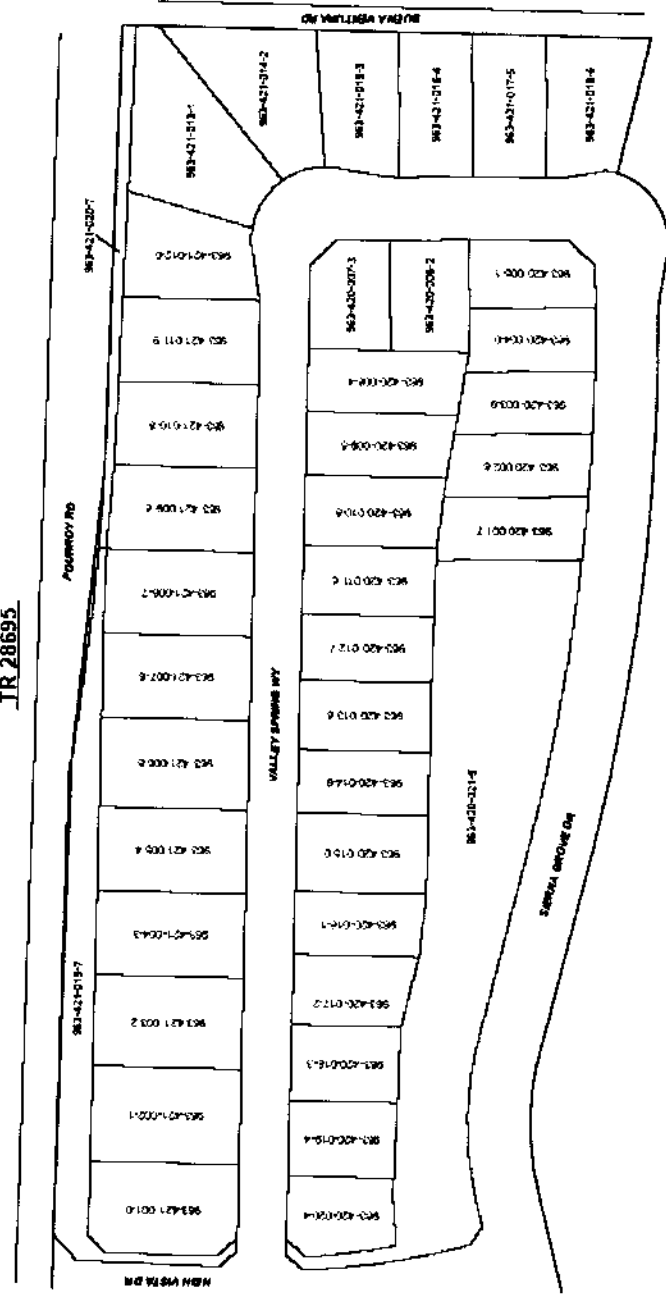
**WEBB**  
 ALBERT A  
 THIS BOUNDARY MAP CORRECTLY SHOWS THE BOUNDARIES OF  
 THE COMMUNITY FACILITIES DISTRICT FOR DETAILS CONCERNING  
 THE EXACT DIMENSIONS OF LOTS OR PARCELS REFER TO THE  
 COUNTY ASSESSOR'S MAPS FOR FISCAL YEAR 2005-2006.  
 FERRIS, PENN. 19151

**PROPOSED BOUNDARIES OF  
COMMUNITY FACILITIES DISTRICT NO. 07-2  
(CLINTON KEITH)  
OF THE COUNTY OF RIVERSIDE  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

JR 28695



LOCATION MAP  
NOT TO SCALE



- LEGEND**
- TRACT BOUNDARY
  - PRICE LINE
  - TR XXXXX TRACT MAP
  - XXXX-XXXX-XXXX-X APN



THIS BOUNDARY MAP CORRECTLY SHOWS THE BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT. FOR DETAILS CONCERNING THE LIMIT AND DIMENSIONS OF LOTS OR PARCELS REFER TO THE COUNTY ASSISTANT'S MAPS FOR FISCAL YEAR 2009-2010.

