

**BEFORE THE BOARD OF SUPERVISORS  
OF THE COUNTY OF FRESNO  
STATE OF CALIFORNIA**

**ORDINANCE NO. 15-002**

**AN ORDINANCE OF THE COUNTY OF FRESNO  
LEVYING A SPECIAL TAX WITHIN  
ANNEXATION TERRITORY NO. 8A OF  
COMMUNITY FACILITIES DISTRICT NO. 2006-01  
(POLICE PROTECTION SERVICES)  
OF THE COUNTY OF FRESNO**

**WHEREAS**, on March 28, 2006, the Board of Supervisors of the County of Fresno (this "Board") conducted proceedings (the "Original Proceedings") to establish Community Facilities District No. 2006-01 (Police Protection Services) of the County of Fresno (the "District"), and duly adopted its Resolution No. R-06-196 (the "Resolution of Intention"), entitled "Resolution of the Board of Supervisors of the County of Fresno, California, Declaring its Intention to Establish Community Facilities District No. 2006-01 (Police Protection Services) of the County of Fresno and to Authorize the Levy of a Special Tax Therein to Finance Certain Services," all in order to annually finance certain police protection services described therein, and costs of annually administering the District, all pursuant to Chapter 2.5 of Part 1 of Division 2 of Title 5 (commencing with Section 53311) of the California Government Code, commonly known as the Mello-Roos Community Facilities Act of 1982 (collectively, the "Act"); and

**WHEREAS**, pursuant to public notices specified in the Act and in the Resolution of Intention, and as part of the Original Proceedings, on May 2, 2006, this Board duly held a Public Hearing under the Act, and at such hearing, all persons desiring to be heard on all matters pertaining to the establishment and formation of the District, the rate and method of apportionment of the special tax ("Special Tax") to be levied annually within the District to finance the police protection services, the levy of the Special Tax, the provision of the police protection services, and all other matters set forth in the Resolution of Formation (defined below), were heard, and substantial evidence was presented and considered by this Board and a full and fair hearing was held; and

**WHEREAS**, upon the conclusion of the Public Hearing, this Board found that the proposed Special Tax to be levied in the District had not been precluded by majority protest pursuant to Section 53324 of the Act, that all protests (there were none) to the establishment of the District, the extent thereof, or the furnishing of the police protection services proposed therefor, or the levy of the Special Tax proposed to be levied in the District, were overruled, and duly adopted its Resolution No. R-06-293 entitled "Resolution Establishing Community Facilities District No. 2006-01 (Police Protection Services) of the County of Fresno, Authorizing the Levy of a Special Tax Within the District, and Calling a Special Election for the Purpose of Submitting the Levy of the Special Tax, and Initial Annual Appropriations Limit, to a Vote of the Qualified Electors Within the District" (the "Resolution of Formation") pursuant to which this Board completed the Original Proceedings for the establishment and formation of the District, the authorization of the annual levy of the Special Tax within the District, commencing County fiscal year 2006-07, and the calling of a special election of qualified electors within the District on the combined propositions of annually levying the Special Tax, commencing County fiscal year 2006-07, and establishing an initial annual Appropriations Limit (of the District), respectively; and

**WHEREAS**, the exterior boundaries of the original District are described and shown in the original District Boundary Map, which has been recorded in the Office of the County Recorder of the County of Fresno, State of California, on April 3, 2006, in Book 41 of Maps of Assessment and Community Facilities Districts, at pages 80 and 81, as Instrument No. 20060068943; and

**WHEREAS**, on May 2, 2006, a special election was duly held by this Board among the qualified landowners electors within the original District, at which such landowner voters approved such combined propositions by the two-thirds vote, which was required by the Act for the annual levy of the Special Tax, and which authorized the initial annual Appropriations Limit, which approvals have been confirmed by resolution of this Board; and

**WHEREAS**, on May 23, 2006, this Board duly adopted Ordinance No. 06-010 (the "Original Ordinance"), entitled an "Ordinance of the County of Fresno Levying a Special Tax Within Community Facilities District No. 2006-01 (Police Protection Services) of the County Of Fresno," authorizing and providing for, among other things, the annual levy of the Special Tax within the original District pursuant to the Act, including, but not limited to, Sections 53328 and 53340 of the Act, at the rates and in accordance with the special tax rate and method of apportionment of the District set forth in the Resolution of Formation; and

**WHEREAS**, the Original Ordinance is valid, and enforceable, and continues to be in full force and effect; and

**WHEREAS**, subsequent to the foregoing proceedings, this Board conducted additional other proceedings to annex certain territory (which is not the subject of this Ordinance) to the original District, providing for, among other things, the annual levy of the Special Tax within the such annexation territory pursuant to the Act, including, but not limited to, Sections 53339.8 and 53340 of the Act, at the rates and in accordance with the special tax rate and method of apportionment of the District, and the adoption of an ordinance for the levy of such Special Tax within such annexation territory, and such ordinance is valid, and enforceable, and continues to be in full force and effect; and

**WHEREAS**, on December 16, 2014, this Board commenced proceedings to annex certain territory (the "Annexation Territory") to the District (the "Annexation Proceedings") by adopting its Resolution No. 14-476 (the "Resolution of Intention to Annex"), entitled "Resolution of the Board of Supervisors of the County of Fresno, California, Declaring its Intention to Annex Territory to Community Facilities District No. 2006-01 (Police Protection Services) of the County of Fresno, to Authorize the Levy of a Special Tax Therein to Finance Certain Services, and to Include Such Annexation Territory in the District for Purposes of the Appropriations Limit of the District," pursuant to the Act, all in order to annually finance certain police protection services (the "Services"), and costs of annually administering the District's (including the proposed Annexation Territory's) provision of Services, all pursuant to the Act; and

**WHEREAS**, the special tax to pay for Services to be provided within the Annexation Territory is equal to the Special Tax levied to pay for the same type of police protection services provided in the District, and therefore the term "Special Tax" shall have the same meaning in both the District and in the Annexation Territory; and

**WHEREAS**, pursuant to public notices specified in the Act and in the Resolution of Intention to Annex, and as part of the Annexation Proceedings, on February 10, 2015, this Board duly held a Public Hearing under the Act, and at such hearing, all persons desiring to be heard on all matters pertaining to the proposed annexation of the Annexation Territory to the

District, the proposed special tax rates and method of apportionment of the Special Tax within the proposed Annexation Territory (collectively, the "Special Tax Rate and Method of Apportionment of the Special Tax," which is set forth in the Resolution Declaring Election Results, and which rates and method are attached hereto as Exhibit "B," and by this reference incorporated herein), the proposed levy of the Special Tax within the proposed Annexation Territory (which is equal to the Special Tax levied to pay for the same type of police protection services provided in the District), the provision of the proposed Services within the proposed Annexation Territory, the vote of the levy of the Special Tax and of the Appropriations Limit relative to the proposed Annexation Territory, and all other matters set forth in the Resolution of Intention were heard, and substantial evidence was presented and considered by this Board and a full and fair hearing was held; and

**WHEREAS**, upon the conclusion of the Public Hearing, this Board found that the proposed annexation of the proposed Annexation Territory has not been precluded by majority protest pursuant to Section 53339.6 of the Act, that all protests (there were none within the District or the proposed Annexation Territory) to the proposed annexation of the proposed Annexation Territory to the District, the proposed Special Tax Rate and Method of Apportionment of the Special Tax, Exhibit "B," the proposed levy of the Special Tax within the proposed Annexation Territory, the provision of the proposed Services within the proposed Annexation Territory, the vote of the levy of the Special Tax and of the Appropriations Limit relative to the proposed Annexation Territory, and all other matters set forth in the Resolution of Intention, were overruled; and

**WHEREAS**, on the basis of all of the foregoing, this Board had determined to call an election, to submit to the qualified electors of the proposed Annexation Territory the combined propositions of (i) the levy of the Special Tax therein (as such Special Tax is more particularly described in Exhibit "B" to the Resolution of Intention to Annex and in Exhibit "B" to the Resolution Calling a Landowner Election, below, and to this Ordinance), and (ii) whether the initial Annual Appropriations Limit should include the proposed Annexation Territory, and that such election shall be held as a special election, and, on February 10, 2015, this Board duly adopted its Resolution No. R- 15-033 (the "Resolution Calling a Landowner Special Election"), entitled "Resolution of the Board of Supervisors of the County of Fresno Calling a Special Election for a Vote of the Qualified Electors Within a Proposed Annexation Territory of Community Facilities District No. 2006-01 (Police Protection Services) of the County of Fresno, for the Combined Propositions of Levying a Special Tax to Finance Certain Services, and Including Such Annexation Territory in the District for Purposes of the Initial Appropriations Limit of the District;" and

**WHEREAS**, on February 10, 2015, a special election was duly held by this Board among the qualified landowners electors within the proposed Annexation Territory, at which the such landowner voters approved such combined propositions by the two-thirds vote, which was required by the Act for the annual levy of the Special Tax for the proposed Annexation Territory, and which authorized the initial annual Appropriations Limit to include the proposed Annexation Territory; and

**WHEREAS**, on February 10, 2015, this Board duly adopted its Resolution No. R- 15-034, entitled "Resolution Declaring Results of Landowner Special Election for Proposed Annexation Territory for Community Facilities District No. 2006-01 (Police Protection Services) of the County of Fresno, Adding Such Annexation Territory to Such District, and Directing the Recordation of an Amendment to Notice of Special Tax Lien" (the "Resolution Declaring Election Results"), and confirmed the results of such special election, annexed the

proposed Annexation Territory to the District, and confirmed that the Appropriations Limit includes the Annexation Territory; and

**WHEREAS**, the exterior boundaries of the Annexation Territory are described and shown in the Boundary Map of the Annexation Territory, which is attached hereto as Exhibit "A," and by this reference incorporated herein, and such Boundary Map heretofore has been recorded in the Office of the County Recorder of the County of Fresno, State of California, on January 21, 2015, in Book 44 of Maps of Assessment and Community Facilities Districts, at Page(s) 31, as Instrument No. 2015-0006219; and

**WHEREAS**, this Board now desires to adopt this Ordinance for purposes of authorizing, conducting and enforcing the annual levy of the Special Tax pursuant to this Ordinance, for taking all such other related actions as provided herein, and for meeting all necessary requirements of the Act in connection therewith.

**NOW, THEREFORE, THE BOARD OF SUPERVISORS OF THE COUNTY OF FRESNO ORDAINS AS FOLLOWS:**

**Section 1.** This Board finds that all of the foregoing recitals are true and correct. All capitalized terms in this Ordinance shall have the definition given to them in the Resolution Declaring Election Results, unless otherwise defined herein.

**Section 2.** By the passage of this Ordinance, this Board hereby authorizes the annual levy of the Special Tax within the Annexation Territory pursuant to the Act, including, but not limited to, Sections 53339.8 and 53340 of the Act, at the rates and in accordance with the Special Tax Rate and Method of Apportionment of the Special Tax, Exhibit "B." The Special Tax is hereby authorized to be levied commencing in County Fiscal Year 2014-15 and in each County fiscal year thereafter in perpetuity equal to the then-current amount of the Special Tax Requirement, as that term is defined in and calculated each County fiscal year pursuant to the Special Tax Rate and Method of Apportionment of the Special Tax, Exhibit "B."

As defined in the Special Tax Rate and Method of Apportionment of the Special Tax, Exhibit "B," the Special Tax Requirement means "[t]hat amount required in any Fiscal Year for the [District, including the Annexation Territory] to: (a) (i) pay for Police Protection Services Costs; (ii) pay reasonable Administrative Expenses; less (b) a credit for funds available, if any, to reduce the annual Special Tax levy, as determined by the CFD Administrator."

**Section 3.** This Board, or its designee, is hereby further authorized annually to determine, by ordinance, resolution, or by other action if permitted by then applicable law, of each County fiscal year, the specific amount of the Special Tax to be annually levied on each parcel of land within the Annexation Territory that is not exempt from such Special Tax. The amount of the Special Tax to be annually levied shall not exceed the maximum rates set forth in the Special Tax Rate and Method of Apportionment of the Special Tax, Exhibit "B," but the Special Tax may be levied in any County fiscal year at lower rates. The Clerk to this Board, or his or her designee, is hereby authorized and directed, commencing in County Fiscal Year 2014-15, to file with the County Auditor-Controller/Treasurer-Tax Collector on or before August 10 of each County fiscal year a certified copy of such ordinance or resolution, or other document evidencing action if permitted by then applicable law, accompanied by a certified list of all parcels within the Annexation Territory subject to the Special Tax levy including the amount of the Special Tax to be levied on each such parcel for the applicable County fiscal year. Such documents may be combined with the certified list of all parcels within the District subject to the special tax levy of the District including the amount of the special tax of the

District to be levied on each such parcel in the District for the applicable County fiscal year. The Clerk to this Board, or his or her designee, may file such documents after August 10 of each County fiscal year, but not later than August 21 of each County fiscal year, if the Clerk to this Board, or his or her designee, obtains prior written consent of the County Auditor-Controller/Treasurer-Tax Collector.

**Section 4.** Exemptions from the levy of the Special Tax shall only be as provided in the Resolution Declaring Election Results and the applicable provisions of the Act. In no event shall the Special Tax be levied on any parcel within the Annexation Territory in excess of the maximum tax rates specified in the Resolution Declaring Election Results.

**Section 5.** The Special Tax shall be collected from time to time as necessary to meet the financial obligations of the District (including the Annexation Territory) as provided herein. All of the collections of the Special Tax shall be as provided herein, in the Act, and in the Resolution Declaring Election Results.

**Section 6.** The Special Tax shall be collected in the same manner as ordinary ad valorem property taxes are collected and shall be subject to the same penalties and the same procedure, sale, and lien priority in case of delinquency as is provided for ad valorem taxes; provided, however, the CFD Administrator may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of the District (including the Annexation Territory) or as otherwise determined appropriate by the CFD Administrator. In addition, the provisions of Section 53356.1 of the Act shall apply to delinquent Special Tax payments. The Special Tax shall be levied in perpetuity or until such time as this Board terminates the Special Tax. The CFD Administrator is hereby authorized and directed to provide all necessary information to the County Auditor-Controller/Treasurer-Tax Collector in order to effect proper billing and collection of the Special Tax, so that the Special Tax shall be included on the secured property tax roll of the County of Fresno for Fiscal Year 2014-15 and for each County fiscal year thereafter as provided herein.

**Section 7.** If for any reason any portion of this Ordinance is found to be invalid or unenforceable, or if the Special Tax is found inapplicable to any particular parcel within the Annexation Territory, by a court of competent jurisdiction, the balance of this Ordinance and the application of the Special Tax to the remaining parcels within the Annexation Territory shall not be affected.

**Section 8.** The Clerk to this Board hereby is directed to prepare and publish a summary of this Ordinance, as proposed to this Board for its approval. The summary shall be published in a newspaper of general circulation within the County and a certified copy of the full text of the proposed Ordinance shall be posted in the office of the Clerk to this Board at least five (5) days prior to the meeting of this Board at which the proposed Ordinance is to be adopted by this Board. Within fifteen (15) days after adoption of this Ordinance, the Clerk to this Board is hereby directed to publish in a newspaper of general circulation within the County a summary of this Ordinance with the names of those supervisors voting for and against this Ordinance, and the Clerk to this Board shall post in the office of the Clerk to this Board a certified copy of the full text of this adopted Ordinance along with the names of those supervisors voting for and against this Ordinance. The Resolution Declaring Election Results, the Annexation Territory Boundary Map, Exhibit "A," and the Special Tax Rate and Method of Apportionment of the Special Tax, Exhibit "B," need not be published in their entirety. A complete copy of such documents are on file with the Clerk to this Board and are available for public inspection and copying in that office, at 2281 Tulare Street, 3<sup>rd</sup> Floor, County of Fresno Hall of Records, Fresno, CA, 93721, in accordance with the California Public Records Act,

Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the California Government Code.

**Section 9.** This Ordinance shall become effective immediately upon final passage by this Board, as provided in Government Code, Section 25123(c).

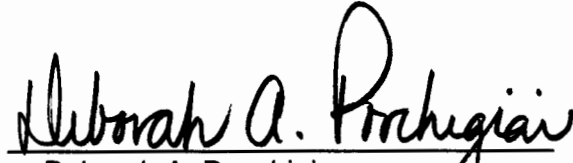
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1 THE FOREGOING was passed and adopted by the following vote of the Board of  
2 Supervisors of the County of Fresno this 24th day of February, 2015, to-wit:

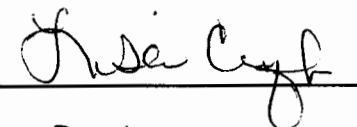
3  
4 AYES: Supervisors Borgeas, Perea, Mendes, Pacheco

5 NOES: Poochigian

6 ABSENT: None

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8   
9 Deborah A. Poochigian  
CHAIRMAN, Board of Supervisors

10  
11 ATTEST:  
12 BERNICE E. SEIDEL  
13 Clerk, Board of Supervisors

14 By   
15 Deputy

16  
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18  
19 AGENDA ITEM NO. 43

20 ORDINANCE NO 15-002  
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## EXHIBIT B

### COMMUNITY FACILITIES DISTRICT NO. 2006-01

#### (POLICE PROTECTION SERVICES) OF THE COUNTY OF FRESNO

#### SPECIAL TAX RATE AND METHOD OF APPORTIONMENT

##### (Commencing as of Fiscal Year 2014-15)

A Special Tax of Community Facilities District No. 2006-01 (Police Protection Services) of the County of Fresno ("CFD") shall be levied on all Assessor's Parcels in the CFD and collected each Fiscal Year commencing in the Base Year in an amount determined by the County through the application of the rate and method of apportionment of the Special Tax set forth below. All of the real property in the CFD, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent and in the manner herein provided.

This Special Tax Rate and Method of Apportionment uses the Special Tax Rate and Method of Apportionment for the original CFD. Any differences between the text of this Special Tax Rate and Method of Apportionment, and the text of the Special Tax Rate and Method of Apportionment for the original CFD, are updated provisions herein (e.g., definition of Base Year, and the Maximum Special Tax Rates Per Unit commencing as of the Base Year (which are subject to increases in subsequent Fiscal Years, as provided herein)) that would conform this Special Tax Rate and Method of Apportionment to the Special Tax Rate and Method of Apportionment for the original CFD.

#### A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

**"Act"** means the Mello-Roos Community Facilities Act of 1982, as amended from time to time following the establishment of the CFD, being Chapter 2.5, Part 1, Division 2 of Title 5 of the Government Code of the State.

**"Administrative Expenses"** means all actual and/or estimated costs and expenses directly incurred by the County as administrator of the CFD to determine, levy and collect the Special Taxes, including, but not limited to, the portion of salaries, wages and benefits of County officers and employees related to the determination, levy and collection of the Special Taxes, and all fees and

expenses of consultants, agents, third-party administrator(s) designated by the CFD Administrator, and legal counsel, related to the determination, levy and collection of the Special Taxes, and all costs and expenses of collecting installments of the Special Taxes upon the general tax rolls or by any other manner of collections as set forth in Section F, below, and preparing required reports, and conducting audits, if deemed necessary by the County; and any other costs and expenses directly incurred, which are required to administer the CFD as determined by the County. On each July 1 following the Base Year, all of the foregoing costs and expenses automatically shall be increased for each Fiscal Year in accordance with the Annual Escalation Factor, provided however, on each July 1 for each third subsequent Fiscal Year, commencing with Fiscal Year 2014-15, the Annual Escalation Factor shall be reduced by an Escalation Factor Adjustment, if any. Notwithstanding anything contained in this definition of Administrative Expenses, the amount of Administrative Expenses in any Fiscal Year that may be included in the Special Tax Requirement for that Fiscal Year shall not exceed ten percent (10%) of the Special Tax Requirement for that Fiscal Year.

**"Annual Escalation Factor"** means the sum: of (i) the annual increase in the Consumer Price Index ("CPI") for Urban Wage Earners and Clerical Workers in the San Francisco-Oakland-San Jose Consolidated Metropolitan Statistical Area as reflected in the then-current April update; and (ii) three percent (3%) of the then-current Police Protection Services Costs. The annual CPI used shall be as determined by the United States Department of Labor, Bureau of Labor Statistics, and may be obtained through the California Division of Labor Statistics and Research ([www.dir.ca.gov/dlsr](http://www.dir.ca.gov/dlsr) as of June 2, 2012). If the foregoing index is not available, the County Board shall select, and thereby shall be authorized to use, a comparable index.

**"Assessor's Parcel"** means a lot or parcel shown in an Assessor's Parcel Map with an assigned assessor's parcel number.

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

**"Base Year"** means the Fiscal Year ending June 30, 2015.

**"CFD Administrator"** means an official of the County, or his or her designee (including, but not limited to, County officer(s), employee(s) and third-party administrator(s)), responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

**"CFD"** means Community Facilities District No. 2006-01 (Police Protection Services) of the County of Fresno.

**"County"** means the County of Fresno, California.

**"County Board"** means the Board of Supervisors of the County, acting as the legislative body of the CFD.

**"Developed Property"** means all Taxable Property within the boundaries of the CFD for which a permit for occupancy of a residential unit has been issued (i) anytime on or prior to January 1, 2013 for the Base Year, and (ii) anytime after January 1<sup>st</sup> and prior to May 1<sup>st</sup> (e.g., for the Base Year, this would be January 1, 2013 and May 1, 2013) preceding each Fiscal Year in which the Special Tax is being levied. Once a Taxable Property has been designated as Developed Property, it shall retain such status permanently (provided however, if the Land Use Class(es) for any Developed Property subsequently changes, the Land Use Class(es) for such Developed Property automatically shall change accordingly pursuant to the rate and method of apportionment of the Special Tax, as provided herein), and shall be subject to the Special Tax each Fiscal Year as provided herein, unless such Taxable Property subsequently shall become and retain such status as Tax-Exempt Property. There shall not be any proration or reduction of the Special Tax levy for any Taxable Property, or refund of the Special Tax for any Taxable Property, for any Fiscal Year in which any such Taxable Property becomes Tax-Exempt Property.

**"Escalation Factor Adjustment"** means the calculation based on the following formula: (1) calculate the annual increases of all of the applicable costs and expenses for each of the prior two Fiscal Years plus the reasonably estimated increase of the applicable costs and expenses for the then-current Fiscal Year; (2) calculate the percentage of each of such increases of all of the applicable costs and expenses in each of such Fiscal Years over each of the prior Fiscal Years (collectively, the "Cumulative Increase"); (3) calculate the sum of the Annual Escalation Factors for the prior two Fiscal Years plus the Annual Escalation Factor for the then-current Fiscal Year (collectively, the "Cumulative Annual Escalation Factor"); (3) if the Cumulative Increase is less than Cumulative Annual Escalation Factor, then the difference thereof shall be the amount of the Escalation Factor Adjustment; (4) if the Cumulative Increase is equal to or greater than the Cumulative Annual Escalation Factor, then the amount of the Escalation Factor Adjustment shall be zero.

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

**"Land Use Class"** means any of the classes listed in Table 1 of Section C, below.

**"Maximum Special Tax"** means the maximum Special Tax, determined in accordance with Section C, below, that may be levied in the CFD in any Fiscal Year on any Assessor's Parcel.

**"Multi-Family Property"** means all Assessor's Parcels of Developed Property within the boundaries of the CFD for which a building permit has been issued for purposes of constructing a residential structure consisting of two or more residential units that share common walls, including, but not limited to, duplexes, triplexes, townhomes, condominiums, and apartment units.

**"Non-Residential Property"** means all Assessor's Parcels of Developed Property within the boundaries of the CFD for which a building permit has been issued for a non-residential use and does not contain any residential units as defined under Residential Property or Multi-Family Property.

**"Property Owner Association Property"** means any property within the boundaries of the CFD that is owned by, or irrevocably dedicated as indicated in an instrument recorded with the County Recorder to, a property owner association, including any master or sub-association.

**"Proportionately"** means in a manner such that the ratio of the actual Special Tax levy to the Maximum Special Tax is equal for all Assessor's Parcels within each Land Use Class.

**"Public Property"** means any property within the boundaries of the CFD that is, at the time of the establishment of the CFD, and as determined by the CFD Administrator, expected to be used for rights-of-way, parks, schools or any other public purpose and is owned by or irrevocably offered for dedication to the federal government, the State, the County or any other public agency, provided however, that any property leased (or property in which there is a grant of a possessory interest) by a public agency to a private entity or person and subject to taxation under section 53340.1 of the Act, and any property described in section 53317.3 or 53317.5 of the Act, shall not be considered Public Property but shall be classified and taxed in accordance with its use. Once an Assessor's Parcel has been designated as Public Property, it shall retain such status permanently, unless such Public Property subsequently shall become Taxable Property.

**"Police Protection Services Costs"** means the actual and/or estimated costs and expenses of the County Sheriff's Office to provide police protection services within the CFD, including, but not limited to, (i) all salaries, wages and benefits of all County sworn officers providing police protection services within the CFD, (ii) all related equipment, vehicles, and supplies for all such services, and (iii) all County overhead costs associated with providing or paying for all such services (and all such related costs and expenses) within the CFD. The Special Tax provides only partial funding for Police Protection Services Costs within the CFD. On each July 1 following the Base Year, all of the foregoing costs and expenses automatically shall be increased for each Fiscal Year in accordance with the Annual Escalation Factor, provided however, on each July 1 for each third subsequent Fiscal Year, commencing with Fiscal Year 2014-15, the Annual Escalation Factor shall be reduced by an Escalation Factor Adjustment, if any.

**"Residential Property"** means all Assessor's Parcels of Developed Property within the boundaries of the CFD for which a building permit has been issued for purposes of constructing one residential unit.

**"Special Tax"** means the Special Tax to be levied in each Fiscal Year on each Assessor's Parcel of Developed Property within the boundaries of the CFD to

fund the Special Tax Requirement, and shall include Special Taxes levied or to be levied under Sections C and D, below.

**"Special Tax Requirement"** means that amount required in any Fiscal Year for the CFD to: (a) (i) pay for Police Protection Services Costs; and (ii) pay reasonable Administrative Expenses; less (b) a credit for funds available, if any, to reduce the annual Special Tax levy, as determined by the CFD Administrator.

**"State"** means the State of California.

**"Taxable Property"** means all of the Assessor's Parcels within the boundaries of the CFD that are not exempt from the Special Tax pursuant to law or as defined below.

**"Tax-Exempt Property"** means an Assessor's Parcel within the boundaries of the CFD not subject to the Special Tax. Tax-Exempt Property only includes: (i) Public Property, (ii) Non-Residential Property, and (iii) Property Owner Association Property.

**"Undeveloped Unit"** means a building or structure for which a building permit has been issued, and either (i) such building or structure has a value of less than 50% of the value of either (x) the existing residential unit on Residential Property, or (y) the lowest valued existing unit (as calculated as a proportionate percentage of the total building value) on Multi-Family Property, (ii) such building or structure consists of less than 500 square feet, or (iii) notwithstanding the definitions of Multi-Family Property and Residential Property, such building permit has been issued for the reconstruction of a residential unit as a result of extraordinary damage or destruction to such residential unit, such as fire, flood or earthquake, and either (x) there has not yet been issued by the appropriate building official a permit for occupancy of such residential unit by May 1<sup>st</sup> preceding the applicable Fiscal Year in which the Special Tax is being levied, or (y) the appropriate building official has not determined that such residential unit has been occupied by a person as his or her dwelling as of May 1<sup>st</sup> preceding the applicable Fiscal Year in which the Special Tax is being levied. Any determination of the nature or status of such buildings, structures, or residential units, or their values, sizes, and uses shall be made by the CFD Administrator or his or her designee.

**"Unit"** means any residence in which a person or persons may live, and is not considered to be for commercial or industrial use.

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

Each Fiscal Year using the definitions above, all Taxable Property within the boundaries of the CFD shall be classified as Developed Property. Developed Property shall be further assigned to a Land Use Class as specified in Table 1 of Section C, below, and shall be subject to Special Taxes pursuant to Sections C and D below.

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

### **1. Developed Property**

**TABLE 1**

**Maximum Special Tax Rates for Developed Property  
(Commencing as of the Base Year,  
and subject to increases in subsequent Fiscal Years,  
as provided herein)**

**Community Facilities District No. 2006-01  
(Police Protection Services)  
Of the County Of Fresno**

| <b>Land Use Class</b> | <b>Description</b>    | <b>Maximum Special Tax Rate Per Unit</b> |
|-----------------------|-----------------------|------------------------------------------|
| 1                     | Residential Property  | \$639.34 per Unit                        |
| 2                     | Multi-Family Property | \$471.67 per Unit                        |

On each July 1 following the Base Year, the Maximum Special Tax Rates automatically shall be increased for each Fiscal Year in accordance with the Annual Escalation Factor, provided however, on each July 1 for each third subsequent Fiscal Year, commencing with Fiscal Year 2014-15, the Annual Escalation Factor shall reduced by an Escalation Factor Adjustment, if any.

### **2. Multiple Land Use Classes**

In some instances an Assessor's Parcel of Developed Property may contain more than one Land Use Class. The Maximum Special Tax levied on an Assessor's Parcel shall be the sum of the Maximum Special Tax levies that can be imposed on all Land Use Classes located on that Assessor's Parcel.

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### **3. Undeveloped Units and Tax-Exempt Property**

No Special Tax shall be levied on Undeveloped Units or Tax-Exempt Property.

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

Commencing with the Base Year, and for each following Fiscal Year, the CFD Administrator shall calculate the Special Tax Requirement based on the Special Tax Rate and Method of Apportionment of the CFD and levy the Special Tax until the amount of the Special Tax levied equals the Special Tax Requirement. The Special Tax shall be levied in the amount of the Special Tax Requirement each Fiscal Year on each Assessor's Parcel of Developed Property Proportionately, but not more than 100% of the applicable Maximum Special Tax.

### **E. APPEALS**

Any taxpayer who believes that the amount of the Special Tax assigned to his or her lot or parcel is in error may file a written notice with the CFD Administrator appealing the levy of the Special Tax, provided that the taxpayer has fully paid his or her Special Tax for such Parcel on or before the payment date established for such Special Tax. Such notice is required to be filed with the CFD Administrator during the Fiscal Year that the error is believed to have occurred. The notice must specify the Parcel, the amount of the levy of the Special Tax, and reason(s) why the taxpayer claims that the amount of the Special Tax is in error.

The CFD Administrator or his or her designee will then promptly review the appeal and, if necessary, meet with the taxpayer. If the CFD Administrator or his or her designee agrees with the taxpayer that the amount of the Special Tax for such Parcel should be changed, the Special Tax levy for such Parcel shall be corrected accordingly and, if applicable in any case, a refund of such erroneous amount collected shall be granted.

If the CFD Administrator or his or her designee disagrees with the taxpayer, and the taxpayer is dissatisfied with such determination, the taxpayer shall have thirty (30) calendar days, from the date that he or she receives notice of such determination in which to appeal to the County Board by filing a written notice of appeal with the Clerk to the County Board, provided that the taxpayer is current in his or her payment of Special Taxes for such Parcel. The notice of appeal must specify the Parcel, the amount of the levy of the Special Tax, the reason(s) why the taxpayer disagrees with the CFD Administrator's determination, and why the taxpayer claims that the amount of the Special Tax is in error.

The County Board will hear the taxpayer's appeal, and make a determination whether to affirm, modify or reverse the determination of the CFD Administrator

or his or her designee. If the County Board agrees with the taxpayer that the amount of the Special Tax for such Parcel should be changed, the Special Tax levy for such Parcel shall be corrected accordingly and, if applicable in any case, a refund of such erroneous amount collected shall be granted. Any such determination of the County Board shall be provided to the taxpayer, and shall be final and conclusive.

Any filing by a taxpayer of any notice of appeal with the CFD Administrator, or any appeal with the Clerk to the County Board, shall be deemed to be made when such notice of appeal is delivered to CFD Administrator, or when such appeal is delivered to the Clerk to the County Board.

#### **F. MANNER OF COLLECTION**

The Special Tax levied pursuant to section D, above, shall be collected in the same manner as ordinary ad valorem property taxes are collected and shall be subject to the same penalties and the same procedure, sale, and lien priority in case of delinquency as is provided for ad valorem taxes; provided, however, the CFD Administrator may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of the CFD or as otherwise determined appropriate by the CFD Administrator.

#### **G. TERM OF SPECIAL TAX**

The Special Tax shall be levied in perpetuity or until such time as the County Board terminates the Special Tax.

-END-

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## **EXHIBIT C**

### **GENERAL DESCRIPTION OF TERRITORY OF COMMUNITY FACILITIES DISTRICT NO. 2006-01 (POLICE PROTECTION SERVICES) OF THE COUNTY OF FRESNO**

- A. 2006-01 (Timber Ridge subdivision-Tract No. 5485) in the Shaver Lake Forest Specific Plan area (part of the original District);
- B. 2006-01 (Countryside Estates subdivision-Tract No. 5504) in the Riverdale Community Plan area (part of the original District);
- C. 2006-01-1A (Indian Rock subdivision-Tract No. 5050) in the Shaver lake Forest Specific Plan area;
- D. 2006-01-1A (Quartz Mountain Village subdivision-Tract No. 5276) in the Bretz Mountain Village Specific Plan area;
- E. 2006-01-1A (Red Hawk subdivision-Tract No. 5126) in the unincorporated County area east of the Cities of Fresno and Clovis;
- F. 2006-01-1A (Country Meadow subdivision-Tract No. 5397) in the area of the Riverdale Community;
- G. 2006-01-2A (Wildflower Village VII subdivision-Tract 5737) in the Wildflower Village Specific Plan Area;
- H. 2006-01-2A (Granite Crest-Tract 4870) in the Millerton Specific Plan Area.
- I. 2006-01-1B (Gold Leaf Ranch-Tract 5401) in the Caruthers Community Area.
- J. 2006-01-3A (Tract 5334) located northwest of Shields and Greenwood Avenues, East of the City of Fresno
- K. 2006-01-7A (Tract 5305) located Southwest of State Hwy 168 and Woody Lane, South of the Town of Shaver Lake.
- L. 2006-01-7A (Tract 5990) located West of State Hwy 168 and Bretz Mill Rd., South of the Town of Shaver Lake.
- M. 2006-01-7A (Tract 5991) located East of State Hwy 168 and Shaver Lake Forest Rd., South of the Town of Shaver Lake.