

CITY OF ROSEVILLE

RESOLUTION NO. 90-308

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ROSEVILLE ESTABLISHING CITY OF ROSEVILLE NORTHEAST ROSEVILLE COMMUNITY FACILITIES DISTRICT NO. 2 AND PROVIDING FOR THE LEVY OF A SPECIAL TAX TO PAY FOR CERTAIN PUBLIC FACILITIES IN AND FOR SUCH COMMUNITY FACILITIES DISTRICT AND CALLING A SPECIAL ELECTION TO SUBMIT TO THE QUALIFIED ELECTORS WITHIN SUCH COMMUNITY FACILITIES DISTRICT THE QUESTION OF LEVYING SUCH SPECIAL TAX AND ESTABLISHING AN APPROPRIATIONS LIMIT FOR SUCH COMMUNITY FACILITIES DISTRICT

WHEREAS, the City Council (the "City Council") of the City of Roseville (the "City") has heretofore on November 7, 1990, duly adopted Resolution No. 90-291 declaring its intention to establish a community facilities district under and pursuant to the terms and provisions of the "Mello-Roos Community Facilities Act of 1982" (the "Act"), being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California, and calling a public hearing on the question of the establishment of such community facilities district, which such community facilities district was designated as "City of Roseville Northeast Roseville Community Facilities District No. 2" (the "Community Facilities District"); and

WHEREAS, prior to the time for such hearing, a report on such proposal was prepared by the Finance Director of the City in accordance with said Resolution No. 90-291, which such report was submitted to the City Council for review and has been reviewed by the City Council, and which such report is incorporated herein and made a part of the record of the hearing hereinafter referred to on said Resolution No. 90-291; and

WHEREAS, pursuant to said Resolution No. 90-291, a public hearing was convened by the City Council on Wednesday, the 12th day of December, 1990, at the hour of 7:00 o'clock

P.M., at the regular meeting place of the City Council, Roseville City Hall, 311 Vernon Street, Roseville, California 95678, at which hearing the City Council considered the establishment of the Community Facilities District, the proposed rate, method of apportionment and manner of collection of a special tax therein, the proposed appropriations limit for the Community Facilities District and all other matters as set forth in said Resolution No. 90-291, and at such public hearing any persons interested, including all taxpayers, property owners and registered voters within the Community Facilities District, were given an opportunity to appear and be heard, and the testimony of all interested persons or taxpayers for or against the establishment of the Community Facilities District and the levy of such special tax, or the extent of the Community Facilities District, or the furnishing of the public facilities proposed therefor, or the establishment of such appropriations limit, or on any other matters set forth in said Resolution No. 90-291, was heard and considered, and such special tax to be levied within the Community Facilities District has not been precluded by a majority protest pursuant to Section 53324 of the Government Code of the State of California, and the City Council at the conclusion of said hearing was fully advised in the premises, and was authorized to proceed as hereinafter provided; and

WHEREAS, on the basis of all of the foregoing, the City Council has determined at this time to proceed with the establishment of the Community Facilities District as provided by said Resolution No. 90-291 and to call an election therein to authorize the levy of a special tax therein (as the rate, method of apportionment and manner of collection of such tax is more particularly outlined in Exhibit A, attached hereto and incorporated herein and made a part hereof) to pay for the public facilities proposed to be provided in and for the Community Facilities District, and to establish an appropriations limit for the Community Facilities District;

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

Section 1. All of the above recitals are true and correct, and the City Council so finds and determines.

Section 2. The City Council hereby approves and adopts said Resolution No. 90-291, and reconfirms all of its findings and determinations contained therein, and the rate, method of apportionment and manner of collection of the special tax in and for the Community Facilities District shall be as set forth in Exhibit A, attached hereto and incorporated herein and made a part hereof. Upon recordation of a notice of special tax lien pursuant to Section 3114.5 of the Streets

and Highways Code of the State of California, a continuing lien to secure each levy of the special tax shall attach to all nonexempt real property in the Community Facilities District, which lien shall continue in force and effect until the special tax obligation is prepaid and permanently satisfied and the lien cancelled in accordance with law or until collection of the special tax by the City Council ceases.

Section 3. The City Council finds and determines that written protests to the establishment of the Community Facilities District, or the extent thereof, or the financing of the public facilities proposed therefor, or the levy of the special tax proposed to be levied in the Community Facilities District, or the establishment of an appropriations limit for the Community Facilities District, are insufficient in number and in amount under the Act, and the City Council hereby further orders and determines that all protests to the establishment of the Community Facilities District, or the extent thereof, or the financing of the public facilities proposed therefor, or the levy of the special tax proposed to be levied in the Community Facilities District, or the establishment of an appropriations limit for the Community Facilities District, are hereby overruled.

Section 4. The City Council finds and determines that all prior proceedings had and taken by the City Council with respect to the establishment of the Community Facilities District are valid and in conformity with the requirements of the Act, and the City Council determines to proceed to establish the Community Facilities District. Accordingly, the City Council finds, determines and orders that, consistent with said Resolution No. 90-291, the Community Facilities District is hereby established under and pursuant to the terms and provisions of the Act, the boundaries of which are as set forth in Exhibit B, attached hereto and incorporated herein and made a part hereof, a copy of which original boundary map was recorded on November 16, 1990, pursuant to Section 3111 of the Streets and Highways Code of the State of California, with the County Recorder of Placer County in Book 2 of Maps of Assessment and Community Facilities Districts at page 11.

Section 5. A general description of the public facilities (the "Facilities") with an estimated useful life of five (5) years or longer, which are municipal facilities that the City is authorized by law to acquire, construct, own or operate within the Community Facilities District and which are necessary to meet increased demands placed upon the City as a result of development occurring in the Community Facilities District and which are the public facilities to be financed by the Community Facilities District under the Act in these proceedings, is as follows: Municipal improvements; including

roads, together with related paving, curbs, sidewalks, gutters, median facilities, landscaped corridors, traffic signals, irrigation facilities and street lights; storm water collection and drainage systems; domestic water distribution systems; sewer collection systems and outfall facility improvements; electrical substation and delivery facilities; natural gas facilities; cable television facilities; bridge facings; granite entryway monuments, together with related landscaping, irrigation, hardscape, special street materials and other related or necessary appurtenances; and a sculpture park with sculptures, together with related landscaping, irrigation, hardscape, bicycle/pedestrian paths and other related or necessary appurtenances. The cost of financing the Facilities includes incidental expenses comprising the costs of planning and designing the Facilities, including the costs of environmental evaluations thereof, and all costs associated with the establishment of the Community Facilities District, the issuance of bonds, the determination of the amount of any taxes or the collection or payment of any taxes, and costs otherwise incurred in order to carry out the authorized purposes of the Community Facilities District, together with any other expenses incidental to the construction, completion and inspection of the Facilities.

Section 6. Except where funds are otherwise available, a special tax sufficient to pay for the Facilities, including the payment of interest on and principal of bonds to be issued to finance the Facilities and including the repayment of funds advanced for the Community Facilities District, which tax shall be secured by recordation of a continuing lien against all nonexempt property in the Community Facilities District, will be levied annually within the boundaries of the Community Facilities District, and for particulars as to the rate, method of apportionment and manner of collection of such special tax reference is made to Exhibit A, attached hereto and incorporated herein and made a part hereof, which sets forth the rate, method of apportionment and manner of collection of such special tax in sufficient detail to allow each landowner or resident within the Community Facilities District to estimate the maximum amount that such person will have to pay for the Facilities.

Section 7. It is the intention of the City Council, pursuant to Section 53317.3 of the Government Code of the State of California, to levy the special tax on property that is not otherwise exempt from the special tax and that is acquired by a public entity through a negotiated transaction, or by gift or devise.

Section 8. It is the intention of the City Council, pursuant to Section 53317.5 of the Government Code of the

State of California, to treat the special tax levied against property that is acquired by a public entity through eminent domain proceedings as if it were a special annual assessment.

Section 9. It is the intention of the City Council, pursuant to Section 53340.1 of the Government Code of the State of California, to levy the special tax on the leasehold or possessory interests in property owned by a public agency, which property is otherwise exempt from the special tax.

Section 10. The City Council hereby submits the question of levying such special tax and the establishment of an appropriations limit in the amount of \$3,000,000 per fiscal year in connection therewith for the Community Facilities District, as defined by Article XIII B, Section 8(h) of the Constitution of the State of California, to the landowners within the Community Facilities District, said landowners being the electors and persons qualified to vote at such election, at a special election to be held on January 15, 1991, all in accordance with and subject to the Act and applicable law, all the terms of which shall be applicable to such election, except that the requirements for an analysis and arguments shall not be applicable to such special election as such requirements and certain others have been waived with the unanimous consent of all the landowners in the Community Facilities District.

Section 11. The City Council hereby further directs that the election at which the question of levying such special tax and establishing such appropriations limit is submitted to the landowners within the Community Facilities District shall be consolidated with the election at which the question of incurring a bonded indebtedness in the amount of sixteen million dollars (\$16,000,000) for the Community Facilities District is submitted to the landowners within the Community Facilities District, and the question of levying such special tax and establishing such appropriations limit shall be combined in one ballot proposition with the question of incurring such bonded indebtedness, all as provided by the Act; and the City Council further directs that the resolution adopted by the City Council declaring the necessity to incur such bonded indebtedness shall constitute the notice of the consolidated election on the combined proposition to authorize the levy of such special tax and to establish such appropriations limit and to incur such bonded indebtedness.

Section 12. If two-thirds (2/3) of the votes cast upon the question of levying such special tax and establishing such appropriations limit are cast in favor of levying such special tax and establishing such appropriations limit, as determined by the City Council after reviewing the canvass of

the returns of such consolidated election, the City Council may levy such special tax within the territory of the Community Facilities District under the Act in the amount and for the purposes as specified in this resolution, and such appropriations limit shall be established for the Community Facilities District, as defined by Article XIII B, Section 8(h) of the Constitution of the State of California. Such special tax may be levied only at the rate and may be apportioned only in the manner specified in this resolution, subject to the Act, except that such special tax may be levied at a rate lower than that specified herein. Such special tax may be levied only so long as it is needed to pay for the acquisition, construction and installation of the Facilities referred to in Section 5 of this resolution, or so long as it is needed to pay the principal of and interest on the bonded indebtedness incurred in order to construct the Facilities (including the repayment of funds advanced for the Community Facilities District).

Section 13. The City Clerk shall, within three (3) business days of the adoption of this resolution, provide a certified copy of this resolution, together with a certified copy of the map of the Community Facilities District constituting Exhibit B hereof and a sufficient description of the Community Facilities District (including Placer County Assessor's Parcel Numbers for the land within the Community Facilities District), to the Placer County Clerk, who is the officer designated by the City Council to conduct such election.

Section 14. The City Engineer of the City, at the City Hall, 311 Vernon Street, Roseville, California 95678 (telephone 916/781-0200) will be responsible for preparing annually a current roll of special tax levy obligations by Placer County Assessor's parcel numbers, and will be responsible for estimating future special tax levies pursuant to Section 53340.1 of the Government Code of the State of California.

PASSED AND ADOPTED by the City Council of the City of Roseville this 19th day of December, 1990, by the following vote:

AYES: Bill Santucci, Harry Crabb, Jr., John Byouk
NOES: Mel Hamel, Pauline Roccucci
ABSENT None

APPROVED:

Pauline Roccucci
Mayor of the City of Roseville

ATTEST

Helen Florence
City Clerk of the City of Roseville

EXHIBIT A

CITY OF ROSEVILLE
NORTHEAST ROSEVILLE
COMMUNITY FACILITIES DISTRICT NO. 2

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

1. Basis of Special Tax Levy

A Special Tax authorized under the Mello-Roos Community Facilities Act of 1982 (the "Act") applicable to the land in the Northeast Roseville Community Facilities District No. 2 ("CFD No. 2") of the City of Roseville (the "City") shall be levied and collected according to the tax liability determined by the City through the application of the appropriate amount or rate, as described below.

2. Definitions

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, Sections 53311 and following of the California Government Code.

"Administrative Expenses" means the costs incurred by the City to determine, levy and collect the Special Taxes, including salaries of City employees and the fees of consultants and corporate bond paying and/or fiscal agents or trustees for bonds and the costs of collecting installments of the Special Taxes upon the general tax rolls; preparation of required reports, and any other costs required to administer CFD No. 2 as determined by the Finance Director of the City of Roseville.

"Annual Costs" means for each Fiscal Year for CFD No. 2, the total of 1) Debt Service; 2) Administrative Expenses; 3) any amounts needed to replenish bond reserve funds and to pay for delinquencies in Special Taxes for the previous Fiscal Year or anticipated for the current year, and 4) any pay-as-you-go expenditures for authorized improvements; less any amounts paid to CFD No. 2 from development fees, reimbursements, and/or prepaid Special Taxes as prescribed in Section 7.

"Annual Tax Revenues" means the amount of Special Taxes required each Fiscal Year to pay the Annual Costs.

"Bond Year" means the 12-month period ending on the second bond payment date of each calendar year as defined in the resolution authorizing the issuance of bonds.

"CFD No. 2" means the Northeast Roseville Community Facilities District No. 2 of the City of Roseville.

"City" means the City of Roseville, California.

"Council" means the City Council of the City of Roseville as the legislative body for CFD No. 2 under the Act.

"County" means the County of Placer, California.

"County Assessor's Parcel" means the Parcel and Parcel number as recorded by the County Assessor on the equalized tax roll.

"Debt Service" means for each Fiscal Year or Bond Year, the total amount of principal and interest for any bonds of the City for CFD No. 2, less any applicable credits that may be available from any other sources and less any interest on reserve funds and other funds available to the City to pay principal and interest for the current or upcoming Fiscal Year or Bond Year.

"Final Subdivision Map" means a map designating the final Parcel splits for individual single-family residential Parcels. A Large-Lot Subdivision Map for single-family residentially zoned land is not considered a Final Subdivision Map for purposes of levying the Special Tax.

"Finance Director" means the Finance Director for the City of Roseville or his or her designee.

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

"Gross Acre(age)" means the acreage of a Parcel prior to dedication of right-of-way for streets, roads, landscaping, and other public purposes.

"Large-Lot Subdivision Map" means a map delineating Parcels by land use and providing an opportunity to transfer ownership of the delineated Parcels.

"Maximum Special Tax" means the greatest amount of Special Tax that can be levied against a Taxable Parcel in any Fiscal Year.

"NERSP" means the Northeast Roseville Specific Plan.

"Net Acre(age)" means the acreage of a Parcel as shown on the final subdivision map or Parcel map excluding right-of-way dedicated for streets, roads, landscaping and other public purposes.

"Original Parcel" means a Parcel as it existed at the time of the adoption by the Council of the Resolution of Formation and as listed in Attachment 1 and shown on Attachment 2.

"Parcel" means any County Assessor's Parcel in CFD No. 2 based on the equalized tax rolls of the County as of the end of each Fiscal Year.

"Public Parcel" means any Parcel that is, or is intended to be, publicly owned, as designated in the NERSP as adopted by the Council, that is normally exempt from the levy of general *ad valorem* property taxes under California law, including public streets; schools; parks; and public drainageways, landscaping, green-belts, and open space. These Parcels are exempt from the levy of Special Taxes as described below.

"PWD" means the Public Works Director for the City of Roseville or his or her designee.

"Special Tax(es)" mean(s) any tax levy under the Act in CFD No. 2.

"Subdivision" means a group of Successor Parcels created from an Original or Successor Parcel through the Subdivision Map Act process.

"Successor Parcel" means a Parcel created by Subdivision, lot line adjustment, or parcel map; and is not an Original Parcel.

"Tax Collection Schedule" means the document prepared by the City for the County Auditor to use in levying and collecting the Special Taxes each Fiscal Year.

"Taxable Parcel" means any Parcel that is not exempt from Special Taxes as defined below.

"Tax-Exempt Parcel" means any Parcel that is a Public Parcel, any Parcel designated as wetlands, and any Parcel designated as urban reserve until such time that it is developed for residential or commercial/industrial purposes.

3. Determination of Parcels Subject to Special Tax

The Special Tax shall be levied on the owner of record on the County Assessor's records as of the end of each Fiscal Year based on the land use classification and the Maximum Special Tax assigned to each Parcel by the Finance Director as of June 1 of each Fiscal Year.

The Finance Director shall prepare a list of the Parcels subject to the Special Tax using the records of the County Assessor and the City's own records. The Finance Director shall identify the Taxable Parcels from a list of all Parcels within CFD No. 2 using the procedure described below.

- 1) Exclude all Tax-Exempt Parcels.

However, Taxable Parcels that are acquired by a public agency after the CFD No. 2 is formed or subsequent Final Subdivision Maps are recorded will remain subject to the applicable Special Tax unless the Special Tax obligation is satisfied by the procedure described in Section 7. An exception to this may be made if Public Parcels are relocated and the previously Tax-Exempt Parcels become Taxable Parcels. This trading of Parcels will be allowed to the extent that there is no net loss in Maximum Special Tax revenue.

- 2) Exclude all Parcels that have satisfied their Special Tax obligation through the prepayment provisions of Section 7.
- 3) The remaining Parcels are subject to the Special Tax according to the formula detailed below.

It shall be the burden of the taxpayer to correct any errors in the determination of the Parcels subject to the Special Tax and their Special Tax assignments.

4. Termination of the Special Tax

The Special Tax will be levied for as long as is needed to pay the principal and interest on debt incurred in order to construct the authorized facilities and to pay the Annual Costs.

When all Annual Costs incurred by CFD No. 2 have been paid, the Special Tax shall cease to be levied. The Council shall direct the City Clerk to record a Notice of Cessation of Special Tax. Such notice will state that the obligation to pay the Special Tax has ceased and that the lien imposed by the Notice of Special Tax Lien is extinguished. The Notice of Cessation of Special Tax shall additionally identify the book and page of the Book of Maps of Assessment and Community Facilities Districts where the map of the boundaries of CFD No. 2 is recorded.

5. Assignment of Maximum Special Tax

By June 1 of each Fiscal Year, using the Definitions above, the Finance Director shall cause:

1. Each Parcel to be classified as a Tax-Exempt Parcel or a Taxable Parcel;
2. Each Taxable Parcel to be classified as an Original Parcel, or a Successor Parcel; and

The assignment of the Maximum Special Tax to Taxable Parcels is as follows:

- a) Original Parcel - the Maximum Special Tax for each Original Parcel is as shown on **Attachment 1**.
- b) Successor Parcel - the Maximum Special Tax for each Successor Parcel is determined as follows:
 - (i) if the Successor Parcel is the result of a single-family residential or individually-owned condominium Parcel Subdivision, divide the Maximum Special Tax assigned to the Original Parcel or existing Successor Parcel, as calculated under (a) above or (b)(ii) below, by the number of single-family residential lots or condominium units. The result of this calculation is the Maximum Special Tax for each single-family residential or condominium Successor Parcel within the Subdivision.

- (ii) if the Successor Parcel is not the result of a single-family residential or individually-owned condominium Parcel Subdivision:
 - calculate the percentage of the Successor Parcel's square footage to the total square footage for all Taxable Successor Parcels; then,
 - multiply this percentage by the Maximum Special Tax assigned to the previous Original Parcel or Successor Parcel. The result of this calculation is the Maximum Special Tax.
- c) Residential Unit Transfer - the Maximum Special Tax assigned to a residential Parcel under (a) or (b) above, may be adjusted to reflect a change in residential units in the following manner:
 - 1) Calculate the existing Maximum Special Tax per unit by dividing the Maximum Special Tax for the Parcel by the number of units assigned to that Parcel as shown in **Attachment 1** or as created through a Subdivision Successor Parcel;
 - 2) Calculate the total Maximum Special Tax being transferred by multiplying the number of units being transferred by the calculation in 1). Add the total Maximum Special Tax and number units being transferred to the Parcel(s) receiving the transferred units and of Maximum Special Tax.
 - 3) Subtract the total Maximum Special Tax and the number of units being transferred from step 2) from the Parcel transferring the Maximum Special Tax and the residential units.

Such unit transfer will be allowed under the following conditions:

- (i) any decrease in one Parcel's Maximum Special Tax assignment is offset by an equal increase in the Maximum Special Tax of other Parcels to ensure that there is no net loss in the total Maximum Special Taxes; and
 - (ii) all adjustments are agreed to by the affected property owners and the Finance Director.
- d) Conversion of a Tax-Exempt Parcel to a Taxable Parcel - if a Parcel designated in the NERSP as a Tax-Exempt Parcel is not needed for public use and is converted to a Taxable Parcel, it shall become subject to the Special Tax. The Maximum Special Tax for each such Parcel shall be set equal to the average tax for similar land uses as follows: \$831 per acre for residential; \$3,705 per acre for business park; \$4,730 per acre for general commercial; or \$5,566 per acre for highway commercial.

6. Setting the Annual Special Tax Rate

The Special Tax levy for each Parcel will be established annually as follows:

- 1) Compute the Annual Costs using the definitions in Section 2.
- 2) For Tax-Exempt Parcels, no Special Tax shall be apportioned or levied, except as noted in Section 3, step (1) above.
- 3) Compute the total Special Tax revenue for all Parcels.
- 4) Compare the Annual Costs to the Special Tax revenue from Step 3 above. If the Annual Costs are lower than the Special Tax revenue, proportionally reduce the Maximum Special Tax for each Parcel until the total Special Tax revenue equals the amount of Annual Costs.
- 5) Prepare the Tax Collection Schedule for each Parcel and send it to the County Auditor requesting that it be placed on the general, secured property tax roll for the following Fiscal Year. The Tax Collection Schedule shall not be sent later than the date required by the Auditor for such inclusion.

The City shall make every effort to correctly assign the number of taxable units and calculate the Special Tax for each Parcel. It shall be the burden of the taxpayer to correct any errors in the determination of the Parcels subject to the tax and their Special Tax assignments.

As development and subdivision of the NERSP takes place, the Finance Director will maintain a file of each current assessor's Parcel number within CFD No. 2, its Maximum Special Tax, and the Maximum Special Tax on all Parcels within in CFD No. 2 available for public inspection. This record shall show the Maximum Special Tax on all Original and Successor Parcels and a brief description of the process of assigning the Special Tax each time a Successor Parcel was created, including any adjustments due to change in use.

7. Prepayment of Special Tax Obligation

A landowner may satisfy the Special Tax obligation on any given Parcel in one of the following two ways:

A. A landowner may prepay the facility costs allocated to a Parcel up to 45 days prior to the sale of the first series of Special Tax bonds. The amount of such prepayment would be determined as follows:

- Step 1: Determine the facility cost allocation for a given Parcel as shown in **Attachment 1.**
- Step 2: Add to the facility cost allocation any fees or expenses incurred by the City in connection with the prepayment calculation or the proceeds of the prepayment.

Step 3: Add to the facility cost allocation a proportional share of CFD No. 2 formation costs not associated with the issuance of bonds.

The proceeds of the prepayment shall be used to construct or acquire authorized CFD No. 2 facilities, thereby reducing the total amount of bonds and the Annual Costs.

B. After the initial sale of bonds, landowners may permanently satisfy the Special Tax obligation by a cash settlement with the City as permitted under Government Code Section 53344. Prepayment is permitted only under the following conditions:

- The Parcel is a whole Original Parcel or a Successor Parcel greater than ten acres.
- The City determines that the prepayment of the Special Tax obligation does not jeopardize its ability to make timely payments of debt service on outstanding bonds.
- Any landowner prepaying the Special Tax obligation must pay any and all delinquent special taxes and penalties prior to prepayment.

The prepayment amount shall be established by the following calculation:

Step 1: Determine the Maximum Special Tax for the Parcel based on the assignment of the Maximum Special Tax described in Section 5 above.

Step 2: Reduce the Maximum Special Tax by the 10 percent delinquency coverage factor and add back the actual average annual tax delinquency rate for property in CFD No. 2. If no delinquency history has been established for the Special Tax, add back to the annual Special Tax the most recent five-year average annual delinquency rate for secured property taxes in the City as a whole. The Maximum Special Tax may be reduced still further if all bonds of CFD No. 2 have been issued and the future debt service, through the maturity of all outstanding bonds, is known with certainty, except that the tax shall not be reduced below the amount determined necessary to pay Annual Costs.

Step 3: Calculate the revenue produced by the reduced Special Tax from Step 2 from the date of prepayment up to and including the last maturity date of outstanding bonds. If all bonds of CFD No. 2 have not yet been issued, for the purpose of this calculation the final bond issue of CFD No. 2 shall be assumed to mature in 2020, except that this assumed final maturity date may be amended by the City no later than the time of the calculation of the prepayment.

Step 4: Calculate the present value of the annual revenue stream determined in Step 3. The present value shall be calculated using that discount rate which, when the prepayment is invested in approved investments (as specified by the resolution authorizing the issuance of bonds) earning a rate of interest equal to the discount rate, would produce annual revenues equal to the amounts calculated in Step 3. The discount rate may not exceed the bond yield as determined by the Tax Reform Act of 1986, as may be amended.

Step 5: Determine the prepayment amount by adding to the present value calculated in Step 4 any fees or expenses incurred by the City in connection with the prepayment calculation or the application of the proceeds of the prepayment.

8. Administrative Changes

The Finance Director or designee has the authority to make necessary administrative adjustments to the Rate and Method of Apportionment in order to remedy any portions of the Special Tax formula that require clarification.

Any taxpayer who feels that the amount of the Special Tax assigned to a Parcel is in error may file a notice with the Finance Director appealing the levy of the Special Tax. The Finance Director will then promptly review the appeal, and if necessary, meet with the applicant. If the Finance Director verifies that the tax should be modified or changed, a recommendation at that time will be made to the City Council and, as appropriate, the Special Tax levy shall be corrected and, if applicable in any case, a refund shall be granted.

Interpretations may be made by Resolution of the City Council for purposes of clarifying any vagueness or ambiguity as it relates to the Special Tax rate, the method of apportionment, the classification of properties or any definition applicable to CFD No. 2.

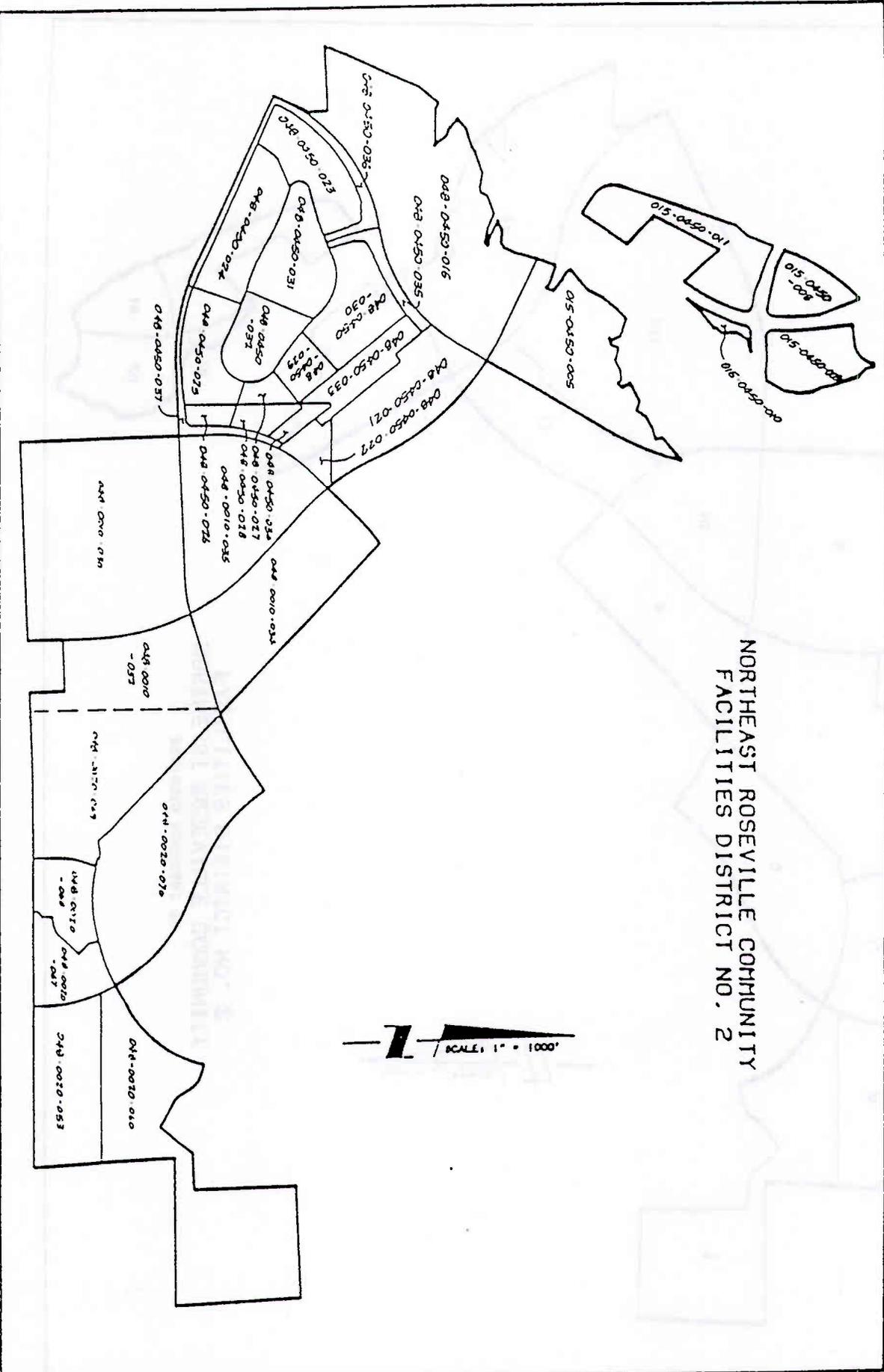
Attachment 1
Northeast Roseville Community Facilities District No. 2
Maximum Annual Special Tax Per Original Parcel
30-Year Bonds

Original Taxable Parcel (1)	Original Parcel APNs (1)	Original Residential Units	Maximum Annual Special Tax	Facilities Cost (2)	Percent of Total
1	048-020-060	357	\$18,657	\$148,905	1.24%
3	048-020-070	330	\$30,871	\$246,382	2.05%
5	015-450-005	180	\$22,140	\$176,702	1.47%
6	048-020-053		\$66,570	\$531,304	4.43%
7	048-010-032 048-020-069		\$184,271	\$1,470,680	12.26%
7A	048-020-067 & 068		\$54,563	\$435,475	3.63%
8	048-010-034		\$90,474	\$722,082	6.02%
9	048-010-030		\$177,166	\$1,413,977	11.78%
10	048-010-035		\$87,134	\$695,424	5.80%
13	048-450-021 & 022		\$95,933	\$765,647	6.38%
13A	048-450-023 to 037		\$249,734	\$1,993,148	16.61%
14	048-450-016		\$246,877	\$1,970,348	16.42%
17	015-450-011		\$91,688	\$731,769	6.10%
18	015-450-010		\$7,960	\$63,533	0.53%
19	015-450-008		\$33,464	\$267,083	2.23%
20	015-450-009		\$46,075	\$367,730	3.06%
Totals		867	\$1,503,577	\$12,000,189	100.00%

(1) As shown on Attachment 2.

(2) Facility cost is the base amount of cost to be paid if prepayment of the Special Tax is made 45 days prior to the initial sale of bonds.

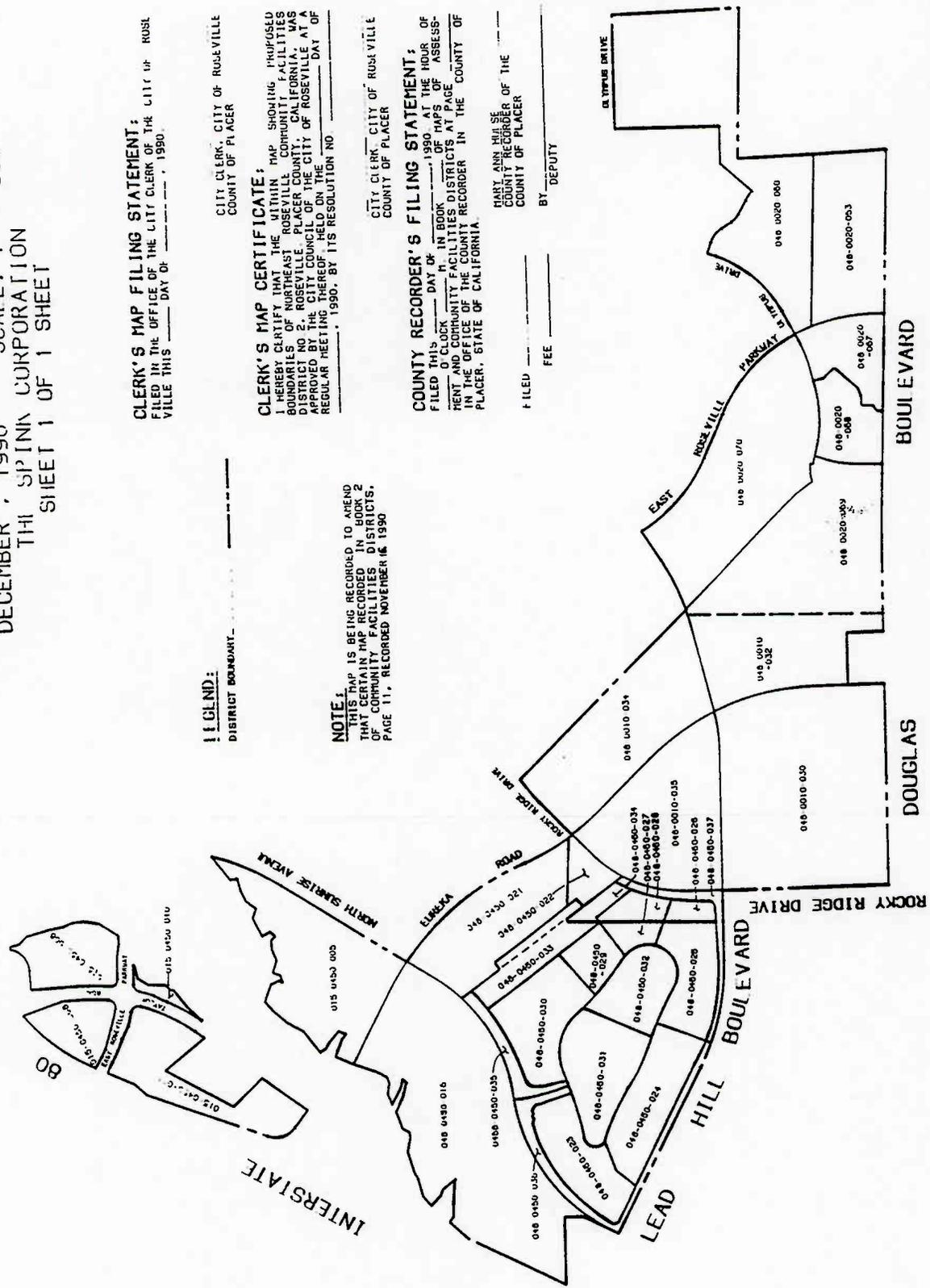
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NORTHEAST ROSEVILLE COMMUNITY
FACILITIES DISTRICT NO. 2

SCALE: 1" = 1000'

PROPOSED BOUNDARIES OF NORTHEAST ROSEVILLE
COMMUNITY FACILITIES DISTRICT NO. 2
CITY OF ROSEVILLE
PLACER COUNTY CALIFORNIA
DECEMBER, 1990 SCALE: 1" = 600'
THE SPINK CORPORATION
SHEET 1 OF 1 SHEET



CLERK'S MAP FILING STATEMENT:
FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF ROSEVILLE THIS _____ DAY OF _____, 1990.

CLERK'S MAP CERTIFICATE:
I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF NORTHEAST ROSEVILLE COMMUNITY FACILITIES DISTRICT NO. 2, ROSEVILLE, PLACER COUNTY, CALIFORNIA, WAS APPROVED BY THE BOARD OF SUPERVISORS OF THE CITY OF ROSEVILLE AT A REGULAR MEETING HELD ON THE _____ DAY OF _____, 1990, BY ITS RESOLUTION NO. _____

CITY CLERK, CITY OF ROSEVILLE
COUNTY OF PLACER

NOTE:
THIS MAP IS BEING RECORDED TO AMEND THAT CERTAIN MAPS RECORDED IN BOOK 2 OF COMMUNITY FACILITIES DISTRICTS, PAGE 11, RECORDED NOVEMBER 6, 1990.

COUNTY RECORDER'S FILING STATEMENT:
FILED THIS _____ DAY OF _____, 1990, AT THE HOUR OF _____ O'CLOCK P.M. IN BOOK _____ OF THE MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS AT PAGE _____ IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF PLACER, STATE OF CALIFORNIA.

MARY ANN HULSE
COUNTY RECORDER OF THE
COUNTY OF PLACER
BY _____
DEPUTY

SIERRA COLLEGE BOULEVARD

BOUI EVARD

DOUGLAS

