



City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: May 25, 2010

FROM: PUBLIC UTILITIES DEPARTMENT ITEM NO: 3

WARDS: ALL

SUBJECT: PUBLIC HEARING - ESTABLISHMENT OF A SUSTAINABLE ENERGY FINANCING DISTRICT AND INTRODUCTION OF ORDINANCE LEVYING SPECIAL TAXES FOR THE ENERGY HIGH EFFICIENCY LOAN PROGRAM (E-HELP)

ISSUES:

The first issue before the City Council is to hold a public hearing regarding the establishment of a Sustainable Energy Financing District.

The second issue before the City Council is to adopt a resolution setting forth the formation of a Sustainable Energy Financing District and to introduce an ordinance to levy special taxes on parcels that annex into the Special Tax District established to provide special tax financing for the installation of energy efficiency improvements, including but not limited to solar installations, for residential and commercial customers under the E-HELP program.

RECOMMENDATIONS:

That the City Council:

1. Conduct a public hearing to receive testimony of all person for or against the establishment of the Sustainable Energy Financing District;
2. Adopt a Resolution forming the Sustainable Energy Financing District; and
3. Introduce an ordinance levying special taxes on parcels that will annex to the District at rates to be approved by unanimous approval of the owners of said parcels and for apportionment and collection of the special taxes in the manner specified in the resolution forming the District.

BACKGROUND:

On February 23, 2010, the City Council adopted an Ordinance to amend the Riverside Municipal Code by adding Chapter 14.36 providing for special tax financing for the installation of energy

efficiency improvements, including but not limited to solar installations. The Energy High Efficiency Loan Program (E-HELP) allows the City the ability to provide low-interest loans to property owners for installing energy efficiency and renewable generation measures on their properties. The new, special tax district would be citywide but would apply only to those property owners who chose to “opt-in” to the program in order to borrow money for the installation of these energy efficiency measures. The property owner would pay for the cost of these improvements as a special tax assessment on their property bills up to 20-years.

On April 6, 2010, the City Council adopted a Resolution of Intention to Establish a Sustainable Energy Financing District and a Resolution amending Restated Local Goals and Policies for Community Facilities Districts and Special Tax Districts. A public hearing was set for May 25, 2010 for the issue of establishment of the special tax district. Notice of the May 25, 2010 public hearing was published on May 14, 2010 and is before the City Council at this meeting. As required by the Resolution of Intention, a boundary map with the Resolution of Intention was recorded with the Riverside County Recorder on April 21, 2010. The boundary map was recorded with the Riverside County Recorder on May 6, 2010 at 8:00 a.m. in Book 74 at Page 69 as document 2010-0210740 of Maps of Assessment and Community Facilities Districts. Additionally, the Resolution of Intention directed that a Special Tax District Report be prepared and filed with the City Clerk at or before the public hearing on the Establishment of the Special Tax District. That report was filed with the City Clerk’s Office and it is also included as an attachment to this report.

AB 811 is the enabling legislation that allows local municipalities to form such financing districts. Palm Desert has successfully implemented a pilot program for its citizens. Additionally, the City of Berkeley, through its power as a Charter city, has also successfully implemented a program by amending its municipal code. After reviewing both model programs, staff has determined that a Berkeley model program will offer greater financial protection to the City.

How the program works is if you are a property owner, E-HELP will offer the following:

- A “no-money-down” means of financing Energy Improvements.
- Fixed-rate loans.
- Financing without requiring a property appraisal.
- A stream-lined loan process.

Public Hearing Process

Protests: The first item before the Council at this meeting is a public hearing on protests to the establishment of the Sustainable Energy Financing District. Pursuant to Riverside Municipal Code Section 14.36.160(A), if 50 percent or more of the registered voters, or six registered voters, whichever is more, residing within the territory proposed to be annexed to the special tax district in the future, or if the owners of one-half or more of the area of land proposed to be annexed in the future and not exempt from the special tax, file written protests against establishment of the special tax district, and protests are not withdrawn so as to reduce the protests to less than a majority, no further proceedings to form the special tax district shall be undertaken for a period of one year from the date of decision of the City Council on the issues discussed at the hearing. If the majority protests of the registered voters or of the landowners are only against the furnishing of a specified type or types of facilities or services within the district, or against levying a specified special tax, those types of facilities or services or the specified special tax shall be eliminated from the resolution of formation.

Resolution of Formation of the Special Tax District: Adoption of this resolution forms the Sustainable Energy Financing District, establishes the scope of the facilities to be built and adopts the Method of Apportionment of the special taxes.

Method of Apportionment of the Tax: The Method of Apportionment of the special tax establishes the general rules for how the tax will be imposed on participating properties. The actual interest rate each property owner will pay will be set at the time the property owner chooses to opt-in to the district. The interest rate for the first participants is estimated to be at 8%. The proposed Method of Apportionment is included as an attachment to the Resolution of Formation and is entitled "City of Riverside Special Tax District No. 2010-1 (Sustainable Energy Financing District) Method of Apportionment of Special Tax." The Special Tax for any parcel will include repayment to the City for any funds disbursed to the property owner for the construction of the improvements, administrative expenses, repayment of bonds (if issued) and interest. The Special Tax will be spread over the life expectancy of the improvement with a maximum of 20 years. A participant will receive a copy of the Method of Apportionment, as well as a Rate Supplement that will specifically identify the interest rate applicable to their special taxes.

Rate Supplement: A Rate Supplement is included as an attachment to this report. The Rate Supplement will set forth the annual tax payments the property owner (or subsequent owners) will be required to pay. The Method of Apportionment and the Rate Supplement will be recorded against the property so that all subsequent property owners have notice of the continuing special tax obligation.

A hypothetical financing structure for a \$15,000 solar photovoltaic system is set forth below. The Projected Annual Special Tax is the information that will appear in the Rate Supplement as the Total Maximum Special Tax.

Hypothetical Financing for \$15,000 Solar PV System

Project Financing Amount:	\$15,000
Estimated Financing Rate:	8%
Term of Repayment;	20 years
Annual Special Tax Charges:	4%

Projected Annual Special Tax: \$1,590/year

Creation of the Special Tax District

The creation of the special tax district is a lengthy process, starting with an amendment to the Riverside Municipal Code to allow for the creation of such district. The district will be similar in form to the special tax districts created under the Mello-Roos Act known as community facilities district. A community facilities district is created by a vote of property owners to impose a special tax on their properties to build public facilities such as streets, traffic signals, storm drains, sewers, landscaping, etc. Here, the proposed amendment to the Riverside Municipal Code would incorporate by reference the provision of the Mello-Roos Act, but would add the legal authority to finance solar and energy efficiency improvements through the district.

The boundaries of the proposed district would be citywide, but no property owner would be taxed unless that property owner consents to be annexed into that district. At time of annexation consent,

that property owner would also consent that bonds could be issued that would be secured by the tax on the property, they would agree to the rate of the tax and to pay the tax as part of their annual property tax bill. Staff estimates that the creation of the special tax district will take approximately seven months, in order to comply with California law.

Next Steps

Legislative: The Special Tax Financing Law was adopted on March 2, 2010. The next legislative steps are to form the Sustainable Energy Financing District, set the rate and method of apportionment of the special tax, and amend the Local Goals and Policies for the Sustainable Energy Financing District.

The following legislative steps are required:

✓ Feb 11, 2010	Land Use Committee Meeting
✓ Feb 22, 2010	First reading of ordinance adding Chapter 14.36 to the RMC, Special Tax Financing Law
✓ March 2, 2010	Second reading of Special Tax Financing Law ordinance
✓ April 2, 2010	30 day referendum period before next action
✓ April 6, 2010	Adoption of Resolution of Intention to form Sustainable Energy Financing District
✓ April 6, 2010	Adoption of Local Goals and Policies for Sustainable Energy Financing District
✓ May 7, 2010	30 day waiting period before next action
May 25, 2010	Noticed Public Hearing on formation of Sustainable Energy Financing District
May 25, 2010	Adoption of Resolution of Formation of Sustainable Energy Financing District
May 25, 2010	First reading of Ordinance to levy special taxes
June 1, 2010	Second reading of Ordinance to levy special taxes
July 1, 2010	30 day referendum period
July 1, 2010	Program clear to begin

Financing: The City of Riverside Public Utilities, (RPU), will fund the E-HELP pilot program with \$1 million from the Electric Public Benefit Fund. Thereafter, E-HELP may be funded from a number of other potential sources and combinations of sources, which may include but are not limited to additional funding from RPU's Electric Public Benefit Fund, the issuance of notes or bonds. Loan proceeds will be reimbursed through a special tax levy included in the owner's property tax bill.

Tax District Costs and Program Administration: With respect to the tax district itself, the costs of administering the levy of the special tax will be built into special tax structure. The annual administration costs are not expected to exceed 5% of the improvement costs per parcel. RPU has retained the services of an outside consultant, Webb Associates, who are experienced with Community Facilities Districts and Special Tax Districts. Webb Associates will assist RPU with the implementation and administration of the special tax district.

Similar to other Community Service Districts formed, staff has included in the Special Tax Financing Law legal authority for the City to use "available surplus funds" during each fiscal year to pay delinquent special taxes. The City would cover these delinquent special tax payments during the period before which the County would foreclose on a property in default for failure to pay property taxes. After the County's foreclosure, assuming the property can be sold for an amount at least equal to the public liens on the property, the City would be repaid any amounts it distributed to cover that debt service.

FISCAL IMPACT:

Establishment of a Sustainable Energy Financing District will not have a fiscal impact on the City. The initial funds for the E-HELP program, of up to \$1,000,000 are included in the FY 2009-10 Public Benefits, Un-programmed Funds Account No. 6020100-453001.

Prepared by: David H. Wright, Public Utilities General Manager
Certified as to
availability of funds: Paul C. Sundeen, Assistant City Manager/CFO/Treasurer
Approved by: Belinda J. Graham, Assistant City Manager
for Bradley J. Hudson, City Manager
Approved as to form: Gregory P. Priamos, City Attorney

Attachments:

1. Resolution of Formation of the Sustainable Energy Financing District
2. Ordinance Ordering Levy of Special Taxes
3. Special Tax District Report
4. Special Tax District Boundary Map

1 RESOLUTION NO.

2 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
3 RIVERSIDE, CALIFORNIA ESTABLISHING CITY OF RIVERSIDE
4 SPECIAL TAX DISTRICT NO. 2010-1 (SUSTAINABLE ENERGY
5 FINANCING DISTRICT)

6 WHEREAS, on April 6, 2010, the City Council adopted a resolution entitled "Resolution of
7 Intention to Establish City of Riverside Special Tax District No. 2010-1 (Sustainable Energy
8 Financing District)" (the "Resolution of Intention"), pursuant to Chapter 14.36 of the Riverside
9 Municipal Code (the "Code"), which Code incorporates the Mello-Roos Community Facilities Act
10 of 1982, as amended (the "Act"); and

11 WHEREAS, the Resolution of Intention, incorporating a map of the proposed boundaries of
12 the Special Tax District, stated the intention of this City Council to establish a City-wide special tax
13 district, to be called "City of Riverside Special Tax District No. 2010-1 (Sustainable Energy
14 Financing District)" (the "Special Tax District"), in order to finance and refinance the acquisition,
15 installation and improvement of energy efficiency and renewable energy improvements to or on real
16 property and in buildings, whether such real property or buildings are privately or publicly owned,
17 and described the method of apportionment of the special tax to be levied within the Special Tax
18 District; and

19 WHEREAS, the Resolution of Intention stated the intention of the City Council to undertake
20 the proceedings to form the Special Tax District under the alternate procedures established by
21 Section 14.36.160 of the Code, pursuant to which a special tax district may initially consist solely of
22 territory proposed for annexation to the special tax district in the future, with the condition that a
23 parcel or parcels within that territory may be annexed to the Special Tax District and subjected to the
24 special tax only with the unanimous approval of the owner or owners of such parcel or parcels at the
25 time that such parcel or those parcels are annexed; and

26 WHEREAS, on May 25, 2010, at 3:00 p.m., the City Council held a duly noticed public
27 hearing as required by the Code and the Resolution of Intention relating to the proposed formation of
28 the Special Tax District; and

///

1 WHEREAS, at the hearing all interested persons desiring to be heard on all matters
2 pertaining to the formation of the Special Tax District, the facilities to be financed by the Special
3 Tax District and the levy of a special tax on property annexed to the Special Tax District were heard
4 and a full and fair hearing was held; and

5 WHEREAS, at the hearing evidence was presented to this City Council on the matters before
6 it, including a report caused to be prepared by the City Manager (the "Report") as to the facilities to
7 be provided through the Special Tax District and the costs thereof, a copy of which is on file with the
8 City Clerk, and this City Council at the conclusion of said hearing is fully advised in the premises;
9 and

10 WHEREAS, written protests with respect to the formation of the Special Tax District, the
11 furnishing of specified types of facilities and the method of apportionment of the special taxes have
12 not been filed with the City Clerk by 50% or more of the registered voters residing within the
13 territory proposed to be annexed to the Special Tax District in the future, or by the owners of one-
14 half or more of the area of land proposed to be annexed in the future.

15 NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Riverside,
16 California, as follows:

17 Section 1: Recitals Correct. The foregoing recitals are true and correct.

18 Section 2: No Majority Protest. Neither the proposed establishment of the Special Tax
19 District, the extent of the Special Tax District nor the furnishing of the specified Facilities has been
20 precluded by majority protest pursuant to Section 14.36.160 of the Code.

21 Section 3: Prior Proceedings Valid. All prior proceedings taken by this City Council in
22 connection with the establishment of the Special Tax District and the levy of a special tax therein
23 have been duly considered and are hereby found and determined to be valid and in conformity with
24 the Code.

25 Section 4: Name of Special Tax District. The Special Tax District, to be designated "City
26 of Riverside Special Tax District No. 2010-1 (Sustainable Energy Financing District)," is hereby
27 established pursuant to the Code.

28 ///

1 **Section 5: Boundaries of Special Tax District.** The boundaries of the Special Tax District,
2 as set forth in the map of the Special Tax District recorded in the Riverside County Recorder's
3 Office on May 6, 2010 at 8:00 a.m. in Book 74 at Page 69, as Document 2010-0210740 of Maps of
4 Assessment and Community Facilities Districts, are hereby approved, are incorporated herein by
5 reference and shall be the boundaries of the Special Tax District. The Special Tax District shall
6 initially consist solely of territory proposed for annexation to the Special Tax District in the future,
7 with the condition that a parcel or parcels within that territory may be annexed to the Special Tax
8 District and subjected to a special tax only with the unanimous approval of the owner or owners of
9 such parcel or parcels at the time that such parcel or those parcels are annexed.

10 **Section 6: Description of Facilities.** The type of facilities proposed to be financed by the
11 Special Tax District and pursuant to the Code shall consist of those items listed in Exhibit A hereto
12 and by this reference incorporated herein (the "Facilities").

13 **Section 7: Special Tax.** Except to the extent that funds are otherwise available, the City will
14 levy a special tax (the "Special Tax") to pay for the costs of the Facilities, the payment of principal
15 and interest on the Bonds, to make lease payments on any lease used to finance the Facilities, the
16 replenishment of a debt service reserve fund for the Bonds, the payment of the costs of the Facilities,
17 the payment of the costs of the City in administering the Special Tax District, and the costs of
18 collecting and administering the special tax, including repayments to the City for any funds
19 disbursed by the City to a parcel owner(s) for the construction of the Facilities.

20 The Special Tax will be secured by recordation of a continuing lien against all real property
21 in the Special Tax District that annexes to the Special Tax District, will be levied annually within the
22 Special Tax District, and will be collected in the same manner as ordinary ad valorem property taxes,
23 or in such other manner as this Council or its designee shall determine, including direct billing of the
24 affected property owners.

25 The proposed method of apportionment of the Special Tax among the parcels of real property
26 within the Special Tax is described in Exhibit B attached hereto and hereby incorporated herein (the
27 "Method of Apportionment"). Pursuant to Section 14.36.160(A)(1), the rate or rates of the Special

28 ///

1 Tax applicable to a parcel or parcels in the Special Tax District shall be specified in the unanimous
2 approval described in the following paragraph relating to such parcel or parcels.

3 The Special Tax shall be levied on a parcel or parcels in the Special Tax District only with
4 the written unanimous approval (each, a "Unanimous Approval") of the owner or owners of each
5 parcel or parcels to their annexation to the Special Tax District, without any requirement for further
6 public hearings or additional proceedings. The Unanimous Approval shall be in substantially the
7 form and substance of the Unanimous Approval attached hereto as Exhibit C, or such other form
8 authorized by the City Manager.

9 The Special Tax on any parcel or parcels shall not be levied in the Special Tax District after
10 the fiscal year set forth in the Unanimous Approval for such parcel or parcels, except that a Special
11 Tax that was lawfully levied in or before the final tax year and that remains delinquent may be
12 collected in subsequent years. Under no circumstances shall the Special Tax levied against any
13 parcel in the Special Tax District to be used for private residential purposes be increased as a
14 consequence of delinquency or default by the owner of any other parcel or parcels within the Special
15 Tax District by more than 10%.

16 Section 8: Responsible Official. The Assistant City Manager/CFO/Treasurer of the City of
17 Riverside, 3900 Main Street, Riverside, CA 92522, (951) 826-5660, is the officer of the City who
18 will be responsible for preparing annually a current roll of Special Tax levy obligations by assessor's
19 parcel number and who will be responsible for estimating future Special Tax levies pursuant to the
20 Code.

21 Section 9: Tax Lien. Upon recordation of a notice of Special Tax lien pursuant to Section
22 3114.5 of the Streets and Highways Code of California, a continuing lien to secure each levy of the
23 Special Tax shall attach to all nonexempt real property in the Special Tax District and this lien shall
24 continue in force and effect until the Special Tax obligation is prepaid and permanently satisfied and
25 the lien canceled in accordance with law or until collection of the tax by the City ceases.

26 Pursuant to Section 14.36.160(A)(4) of the Code, a notice of special tax lien shall not be
27 recorded against any parcel or parcels in the Special Tax District until such time as the owner or
28 owners of such parcel or parcels have given their unanimous approval of such parcel or parcels'

1 annexation to the Special Tax District, at which time the notice of special tax lien shall be recorded
2 against such parcel or parcels as set forth in Section 53328.3 of the Act.

3 Section 10: Appropriations Limit. In accordance with the Code, the annual appropriations
4 limit, as defined by subdivision (h) of Section 8 of Article XIII B of the California Constitution, of
5 the Special Tax District is hereby preliminarily established at \$40,000,000. Pursuant to Section
6 14.36.160(A)(2) of the Code, the appropriations limit for the Special Tax District shall be specified
7 and approved by the Unanimous Approval of the owner or owners of each parcel or parcels at the
8 time that such parcel or parcels are annexed to the Special Tax District. No additional hearings or
9 procedures are required, and such Unanimous Approval shall be deemed to constitute a unanimous
10 vote in favor of the appropriations limit. The proposition shall be adjusted in accordance with the
11 applicable provisions of the Code.

12 Section 11: Election. Pursuant to Section 14.36.160(A)(2) of the Code, in lieu of approval
13 pursuant to an election held in accordance with the procedures set forth elsewhere in the Code and in
14 Sections 53326, 53327, 53327.5 and 53328 of the Act, the appropriations limit for the Special Tax
15 District, the applicable rate, method of apportionment and manner of collection of the Special Tax
16 and the authorization to incur bonded indebtedness for the Special Tax District shall be specified and
17 approved by the Unanimous Approval of the owner or owners of each parcel or parcels at the time
18 that such parcel or parcels are annexed to the Special Tax District. No additional hearings or
19 procedures are required, and such Unanimous Approval shall be deemed to constitute a unanimous
20 vote in favor of the appropriations limit for the Special Tax District, the authorization to levy the
21 Special Tax on such parcel or parcels and the authorization to incur bonded indebtedness for the
22 Special Tax District.

23 Section 12: Effective Date. This resolution shall take effect upon its adoption.

24 ADOPTED by the City Council this _____ day of _____, 2010.

25
26 _____
27 Mayor of the City of Riverside
28 //

1 Attest:

2
3 _____
4 City Clerk of the City of Riverside

5 I, Colleen J. Nicol, City Clerk of the City of Riverside, California, hereby certify that the
6 foregoing resolution was duly and regularly introduced and adopted at a meeting of the City Council
7 of said City at its meeting held on the _____ day of _____, 2010, by the following
8 vote, to wit:

9 Ayes:

10 Noes:

11 Absent:

12 Abstain:

13
14 IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the
15 City of Riverside, California, this _____ day of _____, 2010.

16
17 _____
18 City Clerk of the City of Riverside

19 O:\Cycom\WPDocs\D004\P008\00009447.DOC
20 07-2770.1 sw 05/20/10
21
22
23
24
25
26
27
28

EXHIBIT B
CITY OF RIVERSIDE
Special Tax District No. 2010-1
(Sustainable Energy Financing District)

Method of Apportionment of Special Tax

A Special Tax applicable to each Assessor's Parcel in the City of Riverside Special Tax District No. 2010-1 (Sustainable Energy Financing District) shall be levied and collected according to the tax liability determined by the City or its designee, through the application of the appropriate amount or rate for Taxable Property, as described below. All property annexed into the Special Tax District, unless exempted by law or by the provisions of Section F below, 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:

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, (commencing with Section 53311), Division 2 of Title 5 of the California Government Code.

"Administrative Expenses" means any or all of the following: the fees and expenses of any fiscal agent or trustee (including any fees or expenses of its counsel) employed in connection with any Bonds, and the expenses of the City in carrying out its duties with respect to the STD and the Bonds, including, but not limited to, the levy and collection of the Special Tax, the fees and expenses of its legal counsel, costs related to annexing property into the STD, charges levied by the County in connection with the levy and collection of Special Taxes, letter of credit fees and expenses, bond remarketing expenses, costs related to property owner inquiries regarding the Special Tax, amounts needed to pay rebate to the federal government with respect to the Bonds, costs associated with complying with any continuing disclosure requirements with respect to the Bonds and the Special Tax, and all other costs and expenses of the City and County in any way related to the establishment or administration of the STD, including repayments to the City for any funds disbursed by the City to a parcel owner(s) for the construction of the Authorized Facilities.

"Administrator" shall mean the Assistant City Manager/CFO/Treasurer of the City of Riverside or a person or firm designated by the Assistant City Manager/CFO/Treasurer to administer the Special Tax according to this Method of Apportionment.

"Assessor's Parcel" or "Parcel" means a lot or parcel shown on a County Assessor's Parcel Map with an assigned County Assessor's Parcel number.

"Authorized Facilities" means the facilities authorized to be financed, in whole or in part, by Special Tax proceeds.

"Bonds" means bonds or other debt (as defined in the Code), whether in one or more series, issued, insured or assumed by the Special Tax District related to funding Authorized Facilities.

"City" means the City of Riverside.

1 **“City Council”** means the council of the City of Riverside, acting as the legislative body of the
2 Special Tax District.

3 **“Code”** means Chapter 14.36 of the Riverside Municipal Code, which incorporates the Act.

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

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

6 **“Maximum Special Tax”** means the greatest amount of Special Tax that can be levied on an
7 Assessor’s Parcel in any Fiscal Year as set forth in the Rate Supplement for the Parcel.

8 **“Public Property”** means any property within the boundaries of the STD that is owned by or
9 irrevocably offered for dedication to the federal government, State of California, County, City, or
other local governments or public agencies.

10 **“Rate and Method”** means, collectively for any Parcel within the Special Tax District, this Method
11 of Apportionment and the Rate Supplement for such Parcel.

12 **“Rate Supplement”** means, for any Parcel within the Special Tax District, the Rate Supplement to
13 this Method of Apportionment which was included as Appendix 3 of the Unanimous Approval Form
when the Parcel was annexed into the Special Tax District.

14 **“Special Tax”** means a special tax levied in any Fiscal Year to pay the Special Tax Requirement.

15 **“Special Tax District” or “STD”** means the City of Riverside Special Tax District No. 2010-1
16 (Sustainable Energy Financing District).

17 **“Special Tax District Formation”** means the date on which the Resolution of Formation relating to
18 the Special Tax District was adopted by the City Council.

19 **“Special Tax Requirement”** means the amount that must be levied against a Parcel of Taxable
20 Property in any Fiscal Year (i) to pay principal and interest on Bonds or on funds disbursed by City
21 for construction of certain specified improvements on the Parcel of Taxable Property which are due
22 in the calendar year which begins in such Fiscal Year; (ii) to create or replenish reserve funds; (iii) to
23 make lease payments on any lease used to finance Authorized Facilities; (iv) to reimburse the City
24 for monies advanced to pay formation and/or administration costs of the Special Tax District,
25 Authorized Facilities costs, debt service on Bonds, and any other costs related to the Special Tax
26 District, including repayments to the City for any funds disbursed by the City to a parcel owner(s)
27 for the construction of the Authorized Facilities; (v) to cure any delinquencies in the payment of
28 principal or interest on Bonds which have occurred in any prior Fiscal Year or (based on
delinquencies in the payment of Special Taxes which have already taken place) are expected to
occur in the Fiscal Year in which the tax will be collected; (vi) to pay Administrative Expenses; (vii)
to pay the costs of Authorized Facilities to be funded directly from Special Tax proceeds; and (viii)
,to repay the City for any funds disbursed by the City to a parcel owner(s) for the construction of the
improvements. The amounts referred to in clauses (i) and (ii) of the preceding sentence may be
reduced in any Fiscal Year by (i) proceeds from the collection of penalties associated with
delinquent Special Taxes collected from the Parcel, and (ii) any other revenues available to pay debt
service on the Bonds as determined by the Administrator.

1 **“Taxable Property”** means all of the Assessor’s Parcels within the boundaries of the Special Tax
2 District which are not exempt from the Special Tax pursuant to law or Section F below.

3 **“Unanimous Approval Form”** means that form approved by the record owner of fee title to a
4 Parcel annexed into the Special Tax District and recorded against the Parcel as an exhibit to the
5 Notice of Special Tax Lien that constitutes the property owner’s approval and unanimous vote in
6 favor of annexing into the Special Tax District and having the Special Tax levied against his/her
7 Parcel pursuant to the Rate and Method.

8 **B. DATA FOR ADMINISTRATION OF SPECIAL TAX**

9 On or about July 1 of each Fiscal Year, the Administrator shall identify the current Assessor’s Parcel
10 numbers for all Parcels of Taxable Property within the STD and determine the Special Tax Require-
11 ment for each Parcel of Taxable Property for the Fiscal Year. The Administrator shall maintain a
12 file that includes a copy of the Rate Supplement for each Parcel of Taxable Property, which shall be
13 used to determine each Parcel’s Special Tax Requirement and Maximum Special Tax for the Fiscal
14 Year.

15 If it is determined in any Fiscal Year that a Parcel to which a Maximum Special Tax had been
16 assigned in a Unanimous Approval Form has been subdivided, the Administrator shall assign the
17 Maximum Special Tax to the newly-created Parcel on which the residential or non-residential
18 structure for which Authorized Facilities were funded by the Bonds is located. If multiple Parcels
19 have been created and the original structure no longer exists, the Administrator shall allocate the
20 Special Tax on a per-acre basis to each of the new Parcels unless the City, in its sole discretion,
21 determines that the Special Tax should be allocated in an alternate manner to the new Parcels.

22 **C. MAXIMUM SPECIAL TAX**

23 In any Fiscal Year, the Maximum Special Tax for a Parcel of Taxable Property within the Special
24 Tax District shall be the amount identified in the Rate Supplement for the Parcel for that Fiscal Year.
25 For example, the Maximum Special Tax could be calculated to be the amount to amortize the costs
26 of Authorized Facilities over a 20-year period plus Administrative Expenses.

27 **D. METHOD OF LEVY OF THE SPECIAL TAX**

28 Each Fiscal Year, the Administrator shall determine the Special Tax Requirement for each Parcel of
Taxable Property and levy the Special Tax in the amount needed to pay the Special Tax requirement,
which amount shall never exceed the Maximum Special Tax for the Parcel in that Fiscal Year.

E. MANNER OF COLLECTION OF SPECIAL TAX

The Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem
property taxes, provided, however, that prepayments are permitted as set forth in Section G below
and provided further that the City may directly bill, collect at a different time or in a different
manner, and/or collect delinquent Special Taxes through foreclosure or other available methods.

The Special Tax for a Parcel of Taxable Property shall be levied and collected until the Bonds are
paid in full or such longer period of time provided in the Unanimous Approval Form for the Parcel,

1 except that a Special Tax that was lawfully levied in or before the final tax year identified in the
2 Unanimous Approval Form and that remains delinquent may be collected in subsequent years.

3 **F. EXEMPTIONS**

4 Notwithstanding any other provision of this Method of Apportionment, no Special Tax shall be
5 levied on Public Property, except as otherwise provided in the Code.

6 **G. PREPAYMENT OF SPECIAL TAX**

7 The Special Tax obligation applicable to an Assessor's Parcel in the Special Tax District may be
8 prepaid and the obligation of the Parcel to pay the Special Tax permanently satisfied as described
9 herein, provided that a prepayment may be made only if there are no delinquent Special Taxes with
10 respect to such Assessor's Parcel at the time of prepayment. A Parcel owner who intends to prepay
11 the Special Tax obligation shall provide the City or the Administrator with written notice of intent to
12 prepay. Within 7 days of receipt of such written notice, the Administrator shall confirm to such
13 owner the prepayment amount for the Parcel. Prepayment must be made not less than 50 days
14 prior to any redemption date for Bonds to be redeemed with the proceeds of such prepaid Special
15 Taxes.

16 The Prepayment Amount for any Parcel shall be the sum of the Maximum Special Taxes identified
17 in the Rate Supplement in all Fiscal Years for which a Special Tax has not yet been levied. If a
18 Special Tax has been levied on, but not yet collected from, the Parcel at the time of prepayment, the
19 outstanding Special Tax payment must be paid as part of the secured property tax bill unless the
20 amount is stripped for the tax roll as part of a foreclosure proceeding by the City.

21 *Once a prepayment has been received, a Notice of Cancellation of Special Tax Lien shall be
22 recorded against the Parcel. However, such Notice shall not be recorded until all Special Taxes
23 levied on the Parcel in the current or prior Fiscal Years have been collected.*

24 **H. INTERPRETATION OF SPECIAL TAX FORMULA**

25 The City may interpret, clarify, and revise this Method of Apportionment to correct any
26 inconsistency, vagueness, or ambiguity, by resolution and/or ordinance, that does not materially
27 affect the levy and collection of the Special Taxes and any security for any Bonds. Interpretations
28 may be made by the City by ordinance or resolution for purposes of clarifying any vagueness or
ambiguity in this Method of Apportionment.

EXHIBIT C
CITY OF RIVERSIDE
Special Tax District No. 2010-1
(Sustainable Energy Financing District)

Form Of Unanimous Approval

UNANIMOUS APPROVAL
City of Riverside
Special Tax District No. 2010-1
(Sustainable Energy Financing District)

_____, 20__

To the Honorable City Council
City of Riverside
3900 Main Street
Riverside, California 92522

Members of the City Council:

The City Council of the City of Riverside (the "City") has added Chapter 14.36 to the City of Riverside Municipal Code entitled the "Special Tax Financing Law" (the "Code") and, for the purpose of financing and refinancing the acquisition, installation and improvement of energy efficiency and renewable energy improvements to or on real property and in buildings, whether such real property or buildings are privately or publicly owned, formed the "City of Riverside Special Tax District No. 2010-1 (Sustainable Energy Financing District)" (the "Special Tax District").

The Property Owner hereby states and certifies, under penalty of perjury, as follows:

1. **Property Owner.** This Unanimous Approval is submitted by the record owner(s) (the “Property Owner”) of the fee title to the real property identified below (the “Property”). The Property Owner has supplied to the City current evidence of its ownership of fee title to the Property and possesses all legal authority necessary to execute this Unanimous Approval.

2. **Unanimous Approval.** This Unanimous Approval constitutes the approval and unanimous vote of the Property Owner in favor of the following matters for the purposes of Sections 14.36.160 and 14.36.170 of the Code and Article XIII A of the California Constitution:

a. Annexation: The annexation of the Property to the Special Tax District for the purpose of financing the installation on the Property of the energy efficiency and/or renewable energy improvements described in Appendix 1 hereto and made a part hereof (the “Improvements”).

b. **Special Tax:** The levy of special taxes (the "Special Taxes") on the Property to finance the Improvements, according to (A) the Method of Apportionment of Special Taxes, attached as Appendix 2 and (B) the Rate Supplement to Method of Apportionment of Special Taxes, attached as Appendix 3 (collectively, the "Rate and Method").

1 c. Bonds and Appropriations Limit: The issuance of bonded indebtedness for the Special
2 Tax District in an aggregate principal amount not to exceed \$40,000,000 and an appropriations limit
for the Special Tax District of \$40,000,000.

3 3. **Waivers and Acknowledgment.** The Property Owner hereby waives its right to repeal the
4 Special Tax by initiative or any other action and any necessity, requirement or right to further public
5 hearings or election with respect to the annexation of the Property to the Special Tax District or the
levy of the Special Taxes on the Property.

6 The Property Owner hereby acknowledges that the City has formed the Special Tax District solely
7 for the purpose of assisting the owners of property in the City with the financing of renewable
8 energy and energy efficiency improvements, and that the City has no responsibility of any kind for,
9 and shall have no liability arising out of, the installation, operation, financing, refinancing or
10 maintenance of the Improvements. The Property Owner hereby agrees that the Property Owner and
11 its successors in interest to fee title in the Property shall be solely responsible for the installation,
operation, financing, refinancing and maintenance of the Improvements. The Property Owner hereby
acknowledges that the Property will be responsible for payment of the Special Tax according to the
Rate and Method regardless of whether the Improvements are properly installed or operate as
expected.

12 4. **Recordation of Notice of Special Tax Lien.** The Property Owner hereby authorizes and
13 directs the City Clerk to execute and cause to be recorded in the office of the County Recorder of the
14 County of Riverside a Notice of Special Tax Lien as required by Section 14.36.160(A)(4) of the
15 Code. The Notice of Special Tax Lien shall include the Rate and Method and this Unanimous
Approval as exhibits thereto.

16 5. **Notice.** To the extent required by applicable law, the Property Owner hereby agrees to
17 provide written notice to any subsequent purchaser of the Property of the annexation of the Property
18 to the Special Tax District and of the authority of the City to levy the Special Taxes on the Property
pursuant to the Rate and Method.

19 6. **The Property.** The Property subject to this Unanimous Approval and to be annexed to the
20 Special Tax District consists of the following:

21 *Property Address:*

22 *Riverside County Assessors*

Parcel(s) Number(s):

23 The foregoing Unanimous Approval is hereby executed this _____ day of _____, 20____
24 in _____, California.

25 Property Owner

26 Name:

27 By:

28 Its:

APPENDIX 1
CITY OF RIVERSIDE
Special Tax District No. 2010-1
(Sustainable Energy Financing District)

Description of Improvements

The Improvements are described in the attached invoice.

APPENDIX 2
CITY OF RIVERSIDE
Special Tax District No. 2010-1
(Sustainable Energy Financing District)

Method of Apportionment of Special Tax

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

ORDINANCE NO.

AN ORDINANCE OF THE CITY OF RIVERSIDE, CALIFORNIA,
LEVYING SPECIAL TAXES WITHIN CITY OF RIVERSIDE
SPECIAL TAX DISTRICT NO. 2010-1 (SUSTAINABLE ENERGY
FINANCING DISTRICT)

WHEREAS, on April 6, 2010, the City Council of the City of Riverside (the "City"), adopted a resolution entitled "Resolution of Intention to Establish City of Riverside Special Tax District No. 2010-1 (Sustainable Energy Financing District) (the "Resolution of Intention") stating its intention to establish the "City of Riverside Special Tax District No. 2010-1 (Sustainable Energy Financing District)" (the "Special Tax District"), pursuant to Chapter 14.36 of the Riverside Municipal Code (the "Code"), which Code incorporates the Mello-Roos Community Facilities Act of 1982, as amended, sections 53311, *et. seq.*, of the California Government Code (the "Act"), to finance and refinance the acquisition, installation and improvement of energy efficiency and renewable energy improvements to or on real property and in buildings, whether such real property or buildings are privately or publicly owned; and

WHEREAS, the Resolution of Intention stated the intention of the City Council to undertake the proceedings to form the Special Tax District under the alternate procedures established by Section 14.36.160 of the Code, pursuant to which a special tax district may initially consist solely of territory proposed for annexation to the special tax district in the future, with the condition that a parcel or parcels within that territory may be annexed to the special tax district and subjected to the special tax only with the unanimous approval of the owner or owners of such parcel or parcels at the time that such parcel or those parcels are annexed; and

WHEREAS, notice was published as required by the Code relative to the intention of the City Council to form the Special Tax District, to provide for certain facilities and to incur bonded indebtedness for the Special Tax District in an amount not to exceed \$40,000,000; and

WHEREAS, this City Council held noticed public hearings as required by the Code relative to (i) the determination to proceed with the formation of the Special Tax District and the method of apportionment of the special tax to be levied within the Special Tax District to finance a portion of the costs of the facilities and (ii) the issuance of not to exceed \$40,000,000 of bonded indebtedness

1 for the Special Tax District; and

2 WHEREAS, at the public hearings, all persons desiring to be heard on all matters pertaining
3 to the formation of the Special Tax District and the levy of special taxes were heard, substantial
4 evidence was presented and considered by this City Council and a full and fair hearing was held; and

5 WHEREAS, subsequent to the hearings, this City Council adopted a resolution entitled
6 "Resolution of Formation of Special Tax District" (the "Resolution of Formation"), which
7 resolutions defined the public facilities to be financed by the Special Tax District (the "Facilities"),
8 established the Special Tax District and authorized the levy of a special tax with the Special Tax
9 District; and

10 WHEREAS, Section 14.36.160(B) of the Code provides that, notwithstanding the provisions
11 of Section 53340 of the Act, after adoption of the resolution of formation for a special tax district
12 pursuant to Section 14.36.160(A), the City Council may, by ordinance, provide for the levy of the
13 special taxes on parcels that will annex to the special tax district at the rate or rates to be approved by
14 unanimous approval of the owner or owners of each parcel or parcels to be annexed to the special tax
15 district and for apportionment and collection of the special taxes in the manner specified in the
16 resolution of formation, and that no further ordinance shall be required even though no parcels may
17 then have annexed to the special tax district.

18 The City Council of the City of Riverside does ordain as follows:

19 Section 1: By the passage of this Ordinance, the City Council hereby authorizes and levies
20 special taxes within the Special Tax District pursuant to the Code, at the rate or rates to be approved
21 by unanimous approval (each, a "Unanimous Approval") of the owner or owners of each parcel or
22 parcels to be annexed to the Special Tax District, and in accordance with the method of
23 apportionment (the "Method of Apportionment") set forth in the Resolution of Formation, which
24 Unanimous Approvals, Method of Apportionment and Resolution of Formation are by this reference
25 incorporated herein. The special taxes are hereby levied commencing in the first fiscal year in which
26 a parcel or parcels annexes by Unanimous Approval to the Special Tax District and in each fiscal
27 year thereafter until payment in full of any bonds issued by the City for the Special Tax District (the
28 "Bonds"), as contemplated by the Resolution of Formation, and all costs of administering the Special

1 Tax District, or such longer period provided for in the Unanimous Approvals.

2 Section 2: The Assistant City Manager/CFO/Treasurer of the City of Riverside is hereby
3 authorized and directed each fiscal year to determine the specific special tax rate and amount to be
4 levied for the next ensuing fiscal year for each parcel of real property within the Special Tax District,
5 in the manner and as provided in the Resolution of Formation.

6 Section 3: The Special Tax District initially consists solely of territory proposed for
7 annexation to the Special Tax District in the future. A parcel or parcels within the territory of the
8 Special Tax District may be annexed to the Special Tax District and subjected to the special tax only
9 with the unanimous approval of the owner or owners of such parcel or parcels at the time that such
10 parcel or those parcels are annexed. In no event shall the special taxes be levied on any parcel within
11 the Special Tax District in excess of the maximum tax specified in the Unanimous Approval
12 applicable to such parcel.

13 Section 4: All of the collections of the special tax shall be used as provided for in the Code,
14 in the Resolution of Formation and the applicable Unanimous Approval, including, but not limited
15 to, the payment of principal and interest on the Bonds, to make lease payments on any lease used to
16 finance the Facilities, the replenishment of a debt service reserve fund for the Bonds, the payment of
17 the costs of the Facilities, the payment of the costs of the City in administering the Special Tax
18 District, and the costs of collecting and administering the special tax.

19 Section 5: The special taxes shall be collected in the same manner as ordinary ad valorem
20 taxes are collected and shall have the same lien priority, and be subject to the same penalties and the
21 same procedure and sale in cases of delinquency as provided for ad valorem taxes; provided,
22 however, that this City Council may provide for other appropriate methods of collection by
23 resolutions of this City Council. In addition, the provisions of Section 53356.1 of the Act shall apply
24 to delinquent special tax payments.

25 The Assistant City Manager/CFO/Treasurer of the City of Riverside is hereby authorized and
26 directed to provide all necessary information to the auditor/tax collector of the County of Riverside
27 in order to effect proper billing and collection of the special tax, so that the special tax shall be
28 included on the secured property tax roll of the County of Riverside for the first fiscal year in which

1 a parcel or parcels annexes by Unanimous Approval to the Special Tax District and for each fiscal
2 year thereafter until the Bonds are paid in full or such longer period of time provided in the
3 Unanimous Approvals.

4 Section 6: 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 Special Tax District, in each case
6 by a court of competent jurisdiction, the balance of this Ordinance and the application of the special
7 tax to the remaining parcels within the Special Tax District shall not be affected.

8 Section 7: The City Clerk shall certify to the adoption of this ordinance and cause
9 publication once in a newspaper of general circulation in accordance with Section 414 of the Charter
10 of the City of Riverside. This ordinance shall become effective on the 30th day after the date of its
11 adoption.

12 ADOPTED by the City Council this _____ day of _____, 2010.

13
14 _____
Mayor of the City of Riverside

15 Attest:

16
17 _____
City Clerk of the City of Riverside
18
19
20
21
22
23
24
25
26
27
28

1 I, Colleen J. Nicol, City Clerk of the City of Riverside, California, hereby certify that the
2 foregoing ordinance was duly and regularly introduced at a meeting of the City Council on the
3 _____ day of _____, 2010, and that thereafter the said ordinance was duly and
4 regularly adopted at a meeting of the City Council on the _____ day of _____, 2010,
5 by the following vote, to wit:

6 Ayes:

7 Noes:

8 Absent:

9 Abstain:

10
11 IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the
12 City of Riverside, California, this _____ day of _____, 2010.

13
14 _____
15 City Clerk of the City of Riverside

16 O:\Cycom\WPDocs\D012\P010\00037921.DOC
07-2770.1 sw 05/20/10
17
18
19
20
21
22
23
24
25
26
27
28

Special Tax District Public Report
City of Riverside
Special Tax District No. 2010-1
(Sustainable Energy Financing District)

Prepared for



May 2010

3-27

A L B E R T A.
WEBB
A S S O C I A T E S

Table of Contents

Sections

Section 1: Introduction	
A. Background	1
B. Purpose of the Special Tax District Public Report	1
Section 2: Special Tax District No. 2010-1	
A. Description of the Services	2
B. Boundaries of the Special Tax District	2
C. Cost Estimate	3
D. Rates and Method of Apportionment of Special Tax	3

Appendices

Appendix A: District Boundary Map	
Appendix B: Form of Unanimous Approval	
Appendix C: Rate and Method of Apportionment	

A. Background

On April 6, 2010, the City Council of the City of Riverside adopted a Resolution of Intention to form the City of Riverside Special Tax District No. 2010-1 (Sustainable Energy Financing District), Resolution No. 21997, (the “Resolution of Intention”), pursuant to the provisions of Chapter 14.36 of the Riverside Municipal Code (the “Code”), which code incorporates the “Mello-Roos Community Facilities Act of 1982” as amended, being Chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California, (the “Act”).

The City of Riverside Special Tax District No. 2010-1 (Sustainable Energy Financing District) (the “Special Tax District”) is initially comprised of territory proposed for annexation to the Special Tax District in the future, with the condition that a parcel or parcels within that territory may be annexed to the Special Tax District and subjected to the special tax only with the unanimous approval of the owner or owners of such parcel or parcels at the time that such parcel or those parcels are annexed. For a map showing the boundaries of The Special Tax District please see Appendix “A”.

At the time of formation, additional property is expected to annex into the Special Tax District and a special tax levied on a parcel or parcels in the Special Tax District only with the written unanimous approval of the owner or owners of the parcel or parcels to their annexation to the Special Tax District, without any requirement for further public hearings or additional proceedings. The annexed property will be subject to the same special tax formula in the Rate and Method of Apportionment of Special Tax (“RMA”) as included in the Special Tax District at the time of its formation.

B. Purpose of Special Tax District Public Report

This Special Tax District Public Report (the “Report”) is submitted pursuant to Section 53321.5 of the Act, as well as the Resolution of Intention ordering said Report. The law and the Resolution of Intention directs that said Report generally contain a description of the Facilities and an estimate of the fair and reasonable costs of the Facilities.

For particulars, reference is made to the Resolution of Intention as previously approved and adopted.

NOW, THEREFORE, the undersigned, authorized representative of ALBERT A. WEBB ASSOCIATES, the appointed responsible officer, or person directed to prepare the Report, does hereby submit the following data:

A. Description of the Facilities

A general description of the proposed facilities to be included is as follows:

It is intended that the Special Tax District will be authorized to finance and refinance all or a portion of the costs of any of the following types of facilities:

1. energy efficiency and renewable energy improvements to or on real property and in buildings, whether such real property or buildings are privately or publicly owned.
2. bond related expenses, including underwriters discount, reserve fund, capitalized interest, letter of credit fees and expenses, bond and disclosure counsel fees and expenses, bond remarketing costs, and all other incidental expenses.
3. administrative fees of the City and the bond trustee or fiscal agent related to the Special Tax District and the bonds.
4. any other costs or fees authorized by the Code.

As future annexations to the Special Tax District occur, such authorized facilities to be included are as proposed to be financed and refinanced in the Resolution of Intention previously approved and adopted by the City Council.

B. Boundaries of the Special Tax District

The proposed boundaries of the Special Tax District indicates those properties and parcels in which special taxes may be levied to pay for the costs and expenses of the Facilities. The proposed boundaries of the Special Tax District are as shown on the map of it on file with the City Clerk, which map is incorporated herein. The Special Tax District shall initially consist solely of territory proposed for annexation to the Special Tax District in the future, with the condition that a parcel or parcels within that territory may be annexed to the Special Tax District and subjected to a special tax only with the unanimous approval of the owner or owners of such parcel or parcels at the time that such parcel or those parcels are annexed. A general description of the area within the boundaries of the Special Tax District is as shown in Appendix "A".

C. Cost Estimate

The estimated cost of facilities and incidental costs being financed by the Special Tax District are described below:

1. the acquisition and construction of the Facilities will be determined on a parcel-by-parcel basis.
2. in addition to the acquisition and construction costs of the Facilities, the Special Tax levied in the Special Tax District may finance the following incidental expenses payable from proceeds of bonds or directly from the proceeds of the special tax:
 - (i) Bond issuance costs, funding of capitalized interest, funding of a debt service reserve fund and other costs associated with the sale of bonds, which costs shall be determined on a financing-by-financing basis, and
 - (ii) annual administration costs of the Special Tax District, which are currently expected not to exceed 5% of improvement costs per parcel.

The City has determined that the annual appropriations limit of CFD No. 2010-1 will be established in the amount of special taxes collected. The maximum principal amount of energy loans to property owners under the program is \$40 million.

D. Rates and Method of Apportionment of Special Tax

1. The Resolution of Intention generally sets forth the proposed method of apportionment of the special tax among the parcels of real property within the Special Tax District. Pursuant to Section 14.36.160(A)(1) of the Code, the rate or rates of the special tax applicable to a parcel or parcels in the Special Tax District shall be specified in the unanimous approval described in the following paragraph relating to such parcel or parcels. The special tax shall be levied on a parcel or parcels in the Special Tax District only with the written unanimous approval (each, a "Unanimous Approval") of the owner or owners of each parcel or parcels to their annexation to the Special Tax District, without any requirement for further public hearings or additional proceedings. The Unanimous Approval shall be in substantially the form and substance of the Unanimous Approval attached hereto as Appendix "B", or such other form authorized by the City Manager. The special tax on any parcel or parcels shall not be levied in the Special Tax District after the fiscal year set forth in the Unanimous Approval for such parcel or parcels, except that a special tax that was lawfully levied in or before the final tax year and that remains delinquent may be collected in subsequent years. Under no circumstances shall the special tax levied against any parcel in the Special Tax District to be used for private residential purposes be increased as a consequence of delinquency or default by the owner of any other parcel or parcels within the Special Tax District by more than 10%.

2. For particulars as to the rate and method of apportionment, see Appendix "C".
3. The special tax shall be collected in the same manner as ordinary ad valorem property taxes, or in such other manner as this Council or its designee shall determine, including direct billing of the affected property owners, and shall be subject to the same penalties and interest, in any case of delinquency, as applicable for ad valorem taxes.

It is my opinion that the special tax rates and method of apportionment, as above set forth, is fair and equitable, uniformly applied, and not discriminatory or arbitrary.

Executed this 11th day of May, 2010



ALBERT A. WEBB ASSOCIATES

A handwritten signature in blue ink, appearing to read "Matthew E. Webb", written over a horizontal line.

MATTHEW E. WEBB, P.E.
Professional Civil Engineer No. 37385
SPECIAL TAX CONSULTANT
CITY OF RIVERSIDE
STATE OF CALIFORNIA

Appendix A

District Boundary Map

69
CITY

SHEET 1 OF 1 SHEET

PROPOSED BOUNDARY MAP
CITY OF RIVERSIDE
SPECIAL TAX DISTRICT NO. 2010-1
(SUSTAINABLE ENERGY FINANCING DISTRICT)
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED
BOUNDARIES OF SPECIAL TAX DISTRICT NO. 2010-1, CITY OF
RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA,
WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF
RIVERSIDE AT A REGULAR MEETING THEREOF, HELD ON
14th DAY OF April, 2010.

Albert A. Webb
CITY CLERK
CITY OF RIVERSIDE

FILED IN THE OFFICE OF THE CITY CLERK, CITY OF RIVERSIDE,
THIS 5th DAY OF May, 2010

Albert A. Webb
CITY CLERK
CITY OF RIVERSIDE

RECORDED THIS 14th DAY OF May, 2010
AT THE HOUR OF 9 O'CLOCK A.M. IN BOOK 742
PAGE 62 OF MAPS OF ASSESSMENT AND COMMUNITY
FACILITIES DISTRICTS IN THE OFFICE OF THE COUNTY
RECORDER, IN THE COUNTY OF RIVERSIDE, STATE OF
CALIFORNIA.

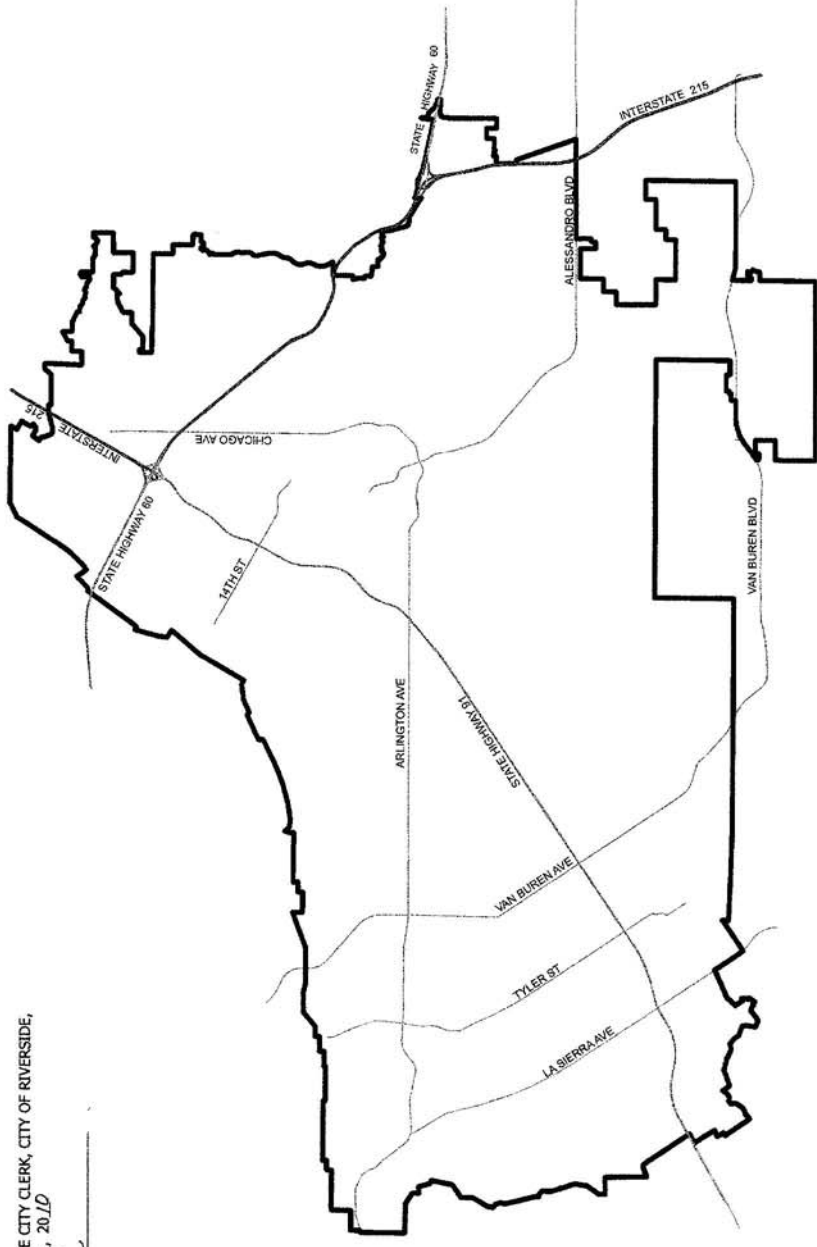
FEES: \$10.00 NO.: 2010-0210740
LARRY W. WARD, ASSESSOR, COUNTY CLERK, RECORDER
BY: Albert A. Webb DEPUTY

LEGEND

- DISTRICT/CITY BOUNDARY
- INTERSTATE
- STATE HIGHWAY



NOT TO SCALE



THIS BOUNDARY MAP CORRECTLY SHOWS THE BOUNDARIES
OF THE SPECIAL TAX DISTRICT. FOR DETAILS CONCERNING
THE LINES AND DIMENSIONS OF LOTS OR PARCELS REFER
TO THE COUNTY ASSESSOR'S MAPS FOR MAPS FOR FISCAL
FISCAL YEAR 2009-2010.



W.O. 2008-0064

Appendix B

Form of Unanimous Approval

1 **EXHIBIT C**

2 **CITY OF RIVERSIDE**
3 **Special Tax District No. 2010-1**
4 **(Sustainable Energy Financing District)**
5 **FORM OF UNANIMOUS APPROVAL**

6 **UNANIMOUS APPROVAL**
7 **Special Tax District No. 2010-1**
8 **Special Tax District No. 2010-1**
9 **(Sustainable Energy Financing District)**

10 _____, 20__

11 To the Honorable City Council
12 City of Riverside
13 3900 Main Street
14 Riverside, California 92522

15 Members of the City Council:

16 The City Council of the City of Riverside (the "City") has added Chapter 14.36 to the City of
17 Riverside Municipal Code entitled the "Special Tax Financing Law" (the "Code") and, for the
18 purpose of financing and refinancing the acquisition, installation and improvement of energy
19 efficiency and renewable energy improvements to or on real property and in buildings, whether such
20 real property or buildings are privately or publicly owned, formed the "City of Riverside Special Tax
21 District No. 2010-1 (Sustainable Energy Financing District)" (the "Special Tax
22 District").

23 The Property Owner hereby states and certifies, under penalty of perjury, as follows:

24 1. **Property Owner.** This Unanimous Approval is submitted by the record owner(s) (the
25 "Property Owner") of the fee title to the real property identified below (the "Property"). The
26 Property Owner has supplied to the City current evidence of its ownership of fee title to the Property
27 and possesses all legal authority necessary to execute this Unanimous Approval.

28 2. **Unanimous Approval.** This Unanimous Approval constitutes the approval and unanimous
vote of the Property Owner in favor of the following matters for the purposes of Sections 14.36.160
and 14.36.170 of the Code and Article XIII A of the California Constitution:

a. **Annexation:** The annexation of the Property to the Special Tax District for the purpose of
financing the installation on the Property of the energy efficiency and/or renewable energy
improvements described in Appendix 1 hereto and made a part hereof (the "Improvements").

b. **Special Tax:** The levy of special taxes (the "Special Taxes") on the Property to finance the
Improvements, according to (A) the Method of Apportionment of Special Taxes, attached as
Appendix 2 and (B) the Rate Supplement to Method of Apportionment of Special Taxes, attached as
Appendix 3 (collectively, the "Rate and Method").

1 c. Bonds and Appropriations Limit: The issuance of bonded indebtedness for the Special Tax
2 District in an aggregate principal amount not to exceed \$ _____ and an appropriations limit for the
Special Tax District of \$ _____.

3 3. **Waivers and Acknowledgment.** The Property Owner hereby waives its right to repeal the
4 Special Tax by initiative or any other action and any necessity, requirement or right to further public
5 hearings or election with respect to the annexation of the Property to the Special Tax District or the
levy of the Special Taxes on the Property.

6 The Property Owner hereby acknowledges that the City has formed the Special Tax District solely
7 for the purpose of assisting the owners of property in the City with the financing of renewable
8 energy and energy efficiency improvements, and that the City has no responsibility of any kind for,
9 and shall have no liability arising out of, the installation, operation, financing, refinancing or
10 maintenance of the Improvements. The Property Owner hereby agrees that the Property Owner and
11 its successors in interest to fee title in the Property shall be solely responsible for the installation,
operation, financing, refinancing and maintenance of the Improvements. The Property Owner hereby
acknowledges that the Property will be responsible for payment of the Special Tax according to the
Rate and Method regardless of whether the Improvements are properly installed or operate as
expected.

12 4. **Recordation of Notice of Special Tax Lien.** The Property Owner hereby authorizes and
13 directs the City Clerk to execute and cause to be recorded in the office of the County Recorder of the
14 County of 14.36a Notice of Special Tax Lien as required by Section 14.36.160(a)(iv) of the Code.
15 The Notice of Special Tax Lien shall include the Rate and Method and this Unanimous Approval as
exhibits thereto.

16 5. **Notice.** To the extent required by applicable law, the Property Owner hereby agrees to
17 provide written notice to any subsequent purchaser of the Property of the annexation of the Property
18 to the Special Tax District and of the authority of the City to levy the Special Taxes on the Property
pursuant to the Rate and Method.

19 6. **The Property.** The Property subject to this Unanimous Approval and to be
20 annexed to the Special Tax District consists of the following:

21 *Property Address:*

22 *Riverside County Assessors*

Parcel(s) Number(s):

23 The foregoing Unanimous Approval is hereby executed this _____ day of
24 _____, 20__ in _____, California.

25 Property Owner

26 Name:

27 By:

28 Its:

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

APPENDIX 1

**CITY OF RIVERSIDE
Special Tax District No. 2010-1
(Sustainable Energy Financing District)**

Description of Improvements

The Improvements are described in the attached invoice.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

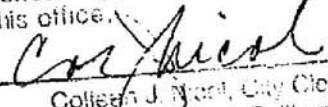
APPENDIX 2
CITY OF RIVERSIDE
Special Tax District No. 2010-1
(Sustainable Energy Financing District)
Method of apportionment of special tax

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

**APPENDIX 3
CITY OF RIVERSIDE
Special Tax District No. 2010-1
(Sustainable Energy Financing District)**

Rate Supplement to Method of apportionment of special tax

The foregoing instrument is certified,
under penalty of perjury, to be a
correct copy of the original on file in
this office.


Colleen J. Nord, City Clerk
City of Riverside, California

Executed on April 21, 2010, at
Riverside, California

Appendix C

Rates and Method of Apportionment

1 **EXHIBIT B**

2 **CITY OF RIVERSIDE**
3 **Special Tax District No. 2010-1**
4 **(Sustainable Energy Financing District)**

5 **Method of Apportionment of Special Tax**

6 A Special Tax applicable to each Assessor's Parcel in the City of Riverside Special Tax
7 District No. 2010-1 (Sustainable Energy Financing District) shall be levied and collected according
8 to the tax liability determined by the City or its designee, through the application of the appropriate
9 amount or rate for Taxable Property, as described below. All property annexed into the Special Tax
10 District, unless exempted by law or by the provisions of Section F below, shall be taxed for the
11 purposes, to the extent, and in the manner herein provided.

12 **A. DEFINITIONS**

13 The terms hereinafter set forth have the following meanings:

14 **"Act"** means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5,
15 (commencing with Section 53311), Division 2 of Title 5 of the California Government Code.

16 **"Administrative Expenses"** means any or all of the following: the fees and expenses of any fiscal
17 agent or trustee (including any fees or expenses of its counsel) employed in connection with any
18 Bonds, and the expenses of the City in carrying out its duties with respect to the STD and the Bonds,
19 including, but not limited to, the levy and collection of the Special Tax, the fees and expenses of its
20 legal counsel, costs related to annexing property into the STD, charges levied by the County in
21 connection with the levy and collection of Special Taxes, letter of credit fees and expenses, bond
22 remarketing expenses, costs related to property owner inquiries regarding the Special Tax, amounts
23 needed to pay rebate to the federal government with respect to the Bonds, costs associated with
24 complying with any continuing disclosure requirements with respect to the Bonds and the Special
25 Tax, and all other costs and expenses of the City and County in any way related to the establishment
26 or administration of the STD.

27 **"Administrator"** shall mean the Assistant City Manager/CFO/Treasurer of the City of Riverside or a
28 person or firm designated by the Assistant City Manager/CFO/Treasurer to administer the Special
Tax according to this Method of Apportionment.

"Assessor's Parcel" or "Parcel" means a lot or parcel shown on a County Assessor's Parcel Map
with an assigned County Assessor's Parcel number.

"Authorized Facilities" means the facilities authorized to be financed, in whole or in part, by
Special Tax proceeds.

"Bonds" means bonds or other debt (as defined in the Code), whether in one or more series, issued,
insured or assumed by the Special Tax District related to funding Authorized Facilities.

"City" means the City of Riverside.

1
2 **"City Council"** means the council of the City of Riverside, acting as the legislative body
3 of the Special Tax District.

4 **"Code"** means Chapter 14.36 of the Riverside Municipal Code, which incorporates the
5 Act.

6 **"County"** means the County of Riverside.

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

8 **"Maximum Special Tax"** means the greatest amount of Special Tax that can be levied on an
9 Assessor's Parcel in any Fiscal Year as set forth in the Rate Supplement for the Parcel.

10 **"Public Property"** means any property within the boundaries of the STD that is owned by or
11 irrevocably offered for dedication to the federal government, State of California, County, City, or
other local governments or public agencies.

12 **"Rate and Method"** means, collectively for any Parcel within the Special Tax District, this Method
13 of Apportionment and the Rate Supplement for such Parcel.

14 **"Rate Supplement"** means, for any Parcel within the Special Tax District, the Rate Supplement to
15 this Method of Apportionment which was included as Appendix 3 of the Unanimous Approval Form
when the Parcel was annexed into the Special Tax District.

16 **"Special Tax"** means a special tax levied in any Fiscal Year to pay the Special Tax Requirement.

17 **"Special Tax District" or "STD"** means the City of Riverside Special Tax District No. 2010-1
18 (Sustainable Energy Financing District).

19 **"Special Tax District Formation"** means the date on which the Resolution of Formation relating to
20 the Special Tax District was adopted by the City Council.

21 **"Special Tax Requirement"** means the amount that must be levied against a Parcel of Taxable
22 Property in any Fiscal Year (i) to pay principal and interest on Bonds or on funds disbursed by City
23 for construction of certain specified improvements on the Parcel of Taxable Property which are due
24 in the calendar year which begins in such Fiscal Year; (ii) to create or replenish reserve funds; (iii) to
25 make lease payments on any lease used to finance Authorized Facilities; (iv) to reimburse the City
26 for monies advanced to pay formation and/or administration costs of the Special Tax District,
27 Authorized Facilities costs, debt service on Bonds, and any other costs related to the Special Tax
28 District; (v) to cure any delinquencies in the payment of principal or interest on Bonds which have
occurred in any prior Fiscal Year or (based on delinquencies in the payment of Special Taxes which
have already taken place) are expected to occur in the Fiscal Year in which the tax will be collected;
(vi) to pay Administrative Expenses; and (vii) to pay the costs of Authorized Facilities to be funded
directly from Special Tax proceeds. The amounts referred to in clauses (i) and (ii) of the preceding
sentence may be reduced in any Fiscal Year by (i) proceeds from the collection of penalties
associated with delinquent Special Taxes collected from the Parcel, and (ii) any other revenues

1 available to pay debt service on the Bonds as determined by the Administrator.

2 **"Taxable Property"** means all of the Assessor's Parcels within the boundaries of the Special Tax
3 District which are not exempt from the Special Tax pursuant to law or Section F below.

4 **"Unanimous Approval Form"** means that form approved by the record owner of fee title to a
5 Parcel annexed into the Special Tax District and recorded against the Parcel as an exhibit to the
6 Notice of Special Tax Lien that constitutes the property owner's approval and unanimous vote in
7 favor of annexing into the Special Tax District and having the Special Tax levied against his/her
8 Parcel pursuant to the Rate and Method.

9 **B. DATA FOR ADMINISTRATION OF SPECIAL TAX**

10 On or about July 1 of each Fiscal Year, the Administrator shall identify the current Assessor's Parcel
11 numbers for all Parcels of Taxable Property within the STD and determine the Special Tax
12 Requirement for each Parcel of Taxable Property for the Fiscal Year. The Administrator shall
13 maintain a file that includes a copy of the Rate Supplement for each Parcel of Taxable Property,
14 which shall be used to determine each Parcel's Special Tax Requirement and Maximum Special Tax
15 for the Fiscal Year.

16 If it is determined in any Fiscal Year that a Parcel to which a Maximum Special Tax had been
17 assigned in a Unanimous Approval Form has been subdivided, the Administrator shall assign the
18 Maximum Special Tax to the newly-created Parcel on which the residential or non-residential
19 structure for which Authorized Facilities were funded by the Bonds is located. If multiple Parcels
20 have been created and the original structure no longer exists, the Administrator shall allocate the
21 Special Tax on a per-acre basis to each of the new Parcels unless the City, in its sole discretion,
22 determines that the Special Tax should be allocated in an alternate manner to the new Parcels.

23 **C. MAXIMUM SPECIAL TAX**

24 In any Fiscal Year, the Maximum Special Tax for a Parcel of Taxable Property within the Special
25 Tax District shall be the amount identified in the Rate Supplement for the Parcel for that Fiscal Year.
26 For example, the Maximum Special Tax could be calculated to be the amount to amortize the costs
27 of Authorized Facilities over a 20-year period plus Administrative Expenses.

28 **D. METHOD OF LEVY OF THE SPECIAL TAX**

Each Fiscal Year, the Administrator shall determine the Special Tax Requirement for each Parcel of
Taxable Property and levy the Special Tax in the amount needed to pay the Special Tax
requirement, which amount shall never exceed the Maximum Special Tax for the Parcel in that
Fiscal Year.

E. MANNER OF COLLECTION OF SPECIAL TAX

The Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem
property taxes, provided, however, that prepayments are permitted as set forth in Section G below
and provided further that the City may directly bill, collect at a different time or in a different
manner, and/or collect delinquent Special Taxes through foreclosure or other available methods.

1 The Special Tax for a Parcel of Taxable Property shall be levied and collected until the Bonds are
2 paid in full or such longer period of time provided in the Unanimous Approval Form for the Parcel,
3 except that a Special Tax that was lawfully levied in or before the final tax year identified in the
4 Unanimous Approval Form and that remains delinquent may be collected in subsequent years.

5 **F. EXEMPTIONS**

6 Notwithstanding any other provision of this Method of Apportionment, no Special Tax shall be
7 levied on Public Property, except as otherwise provided in the Code.

8 **G. PREPAYMENT OF SPECIAL TAX**

9 The Special Tax obligation applicable to an Assessor's Parcel in the Special Tax District may be
10 prepaid and the obligation of the Parcel to pay the Special Tax permanently satisfied as described
11 herein, provided that a prepayment may be made only if there are no delinquent Special Taxes with
12 respect to such Assessor's Parcel at the time of prepayment. A Parcel owner who intends to prepay
13 the Special Tax obligation shall provide the City or the Administrator with written notice of intent to
14 prepay. Within 7 days of receipt of such written notice, the Administrator shall confirm to such
15 owner the prepayment amount for the Parcel. Prepayment must be made not less than 50 days
16 prior to any redemption date for Bonds to be redeemed with the proceeds of such prepaid Special
17 Taxes.

18 The Prepayment Amount for any Parcel shall be the sum of the Maximum Special Taxes identified
19 in the Rate Supplement in all Fiscal Years for which a Special Tax has not yet been levied. If a
20 Special Tax has been levied on, but not yet collected from, the Parcel at the time of prepayment, the
21 outstanding Special Tax payment must be paid as part of the secured property tax bill unless the
22 amount is stripped for the tax roll as part of a foreclosure proceeding by the City.

23 *Once a prepayment has been received, a Notice of Cancellation of Special Tax Lien shall be
24 recorded against the Parcel. However, such Notice shall not be recorded until all Special Taxes
25 levied on the Parcel in the current or prior Fiscal Years have been collected.*

26 **H. INTERPRETATION OF SPECIAL TAX FORMULA**

27 The City may interpret, clarify, and revise this Method of Apportionment to correct any
28 inconsistency, vagueness, or ambiguity, by resolution and/or ordinance, that does not materially
affect the levy and collection of the Special Taxes and any security for any Bonds. Interpretations
may be made by the City by ordinance or resolution for purposes of clarifying any vagueness or
ambiguity in this Method of Apportionment.

PROPOSED BOUNDARY MAP

CITY OF RIVERSIDE
SPECIAL TAX DISTRICT NO. 2010-1
(SUSTAINABLE ENERGY FINANCING DISTRICT)
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF SPECIAL TAX DISTRICT NO. 2010-1, CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF RIVERSIDE AT A REGULAR MEETING THEREOF, HELD ON 16th DAY OF April, 2010.

Albert A. Webb
CITY CLERK
CITY OF RIVERSIDE

FILED IN THE OFFICE OF THE CITY CLERK, CITY OF RIVERSIDE,
THIS 5th DAY OF May, 2010

Albert A. Webb
CITY CLERK
CITY OF RIVERSIDE

RECORDED THIS 16th DAY OF May, 2010
AT THE HOUR OF 2 O'CLOCK P.M. IN BOOK 74
PAGE 69 OF MAPS OF ASSESSMENT AND COMMUNITY
FACILITIES DISTRICTS IN THE OFFICE OF THE COUNTY
RECORDER, IN THE COUNTY OF RIVERSIDE, STATE OF
CALIFORNIA.

SEE: 8/10/00 NO.: 2010-0210740
LARRY W. WARD, ASSESSOR, COUNTY CLERK, RECORDER

BY: Albert A. Webb
DEPUTY

LEGEND

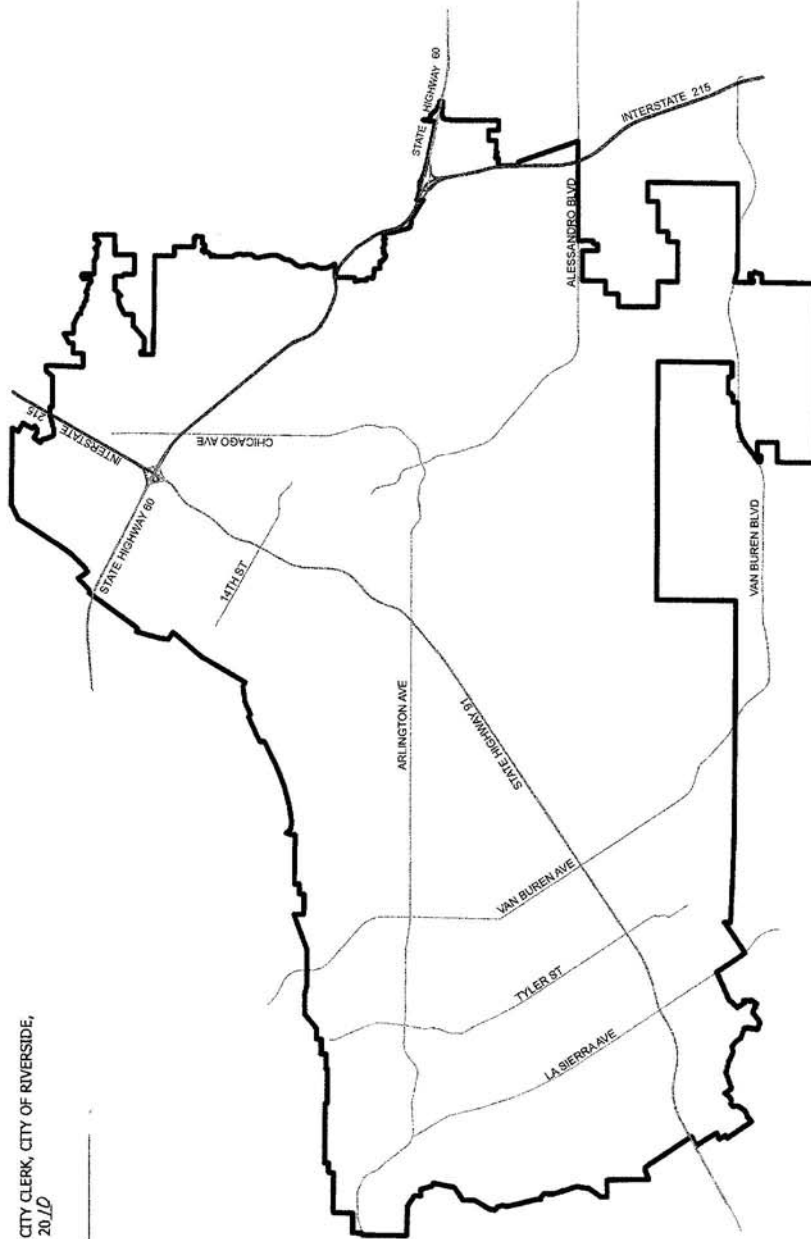
DISTRICT/CITY BOUNDARY

INTERSTATE

STATE HIGHWAY

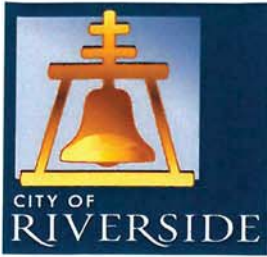


NOT TO SCALE



THIS BOUNDARY MAP CORRECTLY SHOWS THE BOUNDARIES OF THE SPECIAL TAX DISTRICT. FOR DETAILS CONCERNING THE LINES AND DIMENSIONS OF LOTS OR PARCELS REFER TO THE COUNTY ASSESSOR'S MAPS FOR MAPS FOR FISCAL YEAR 2009-2010.

ALBERT A.
WEBB
ASSOCIATES
BOUNDARY CONSULTANTS




CITY OF RIVERSIDE
NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing will be held before the City Council of the City of Riverside, in the Art Pick Council Chamber, City Hall, 3900 Main Street, Riverside, California, on Tuesday, May 25, 2010, at 3 p.m. to discuss the formation of the Sustainable Energy Financing District.

The Energy High Efficiency Loan Program (E-HELP) will allow the City the ability to provide low-interest loans to property owners for installing energy efficiency and renewable generation measures on their properties. The new, special tax district would be citywide but would apply only to those property owners who chose to "opt-in" to the program in order to borrow money for the installation of these energy efficiency measures.

All persons interested in this matter are hereby invited to appear at the time and place herein specified to voice their opinions relating thereto. Persons unable to attend the hearing may forward their written statements to the City Clerk, City Hall, 3900 Main Street, Riverside, California 92522. If you challenge any of the above proposed actions in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City Clerk of the City of Riverside at, or prior to, the public hearing.



COLLEEN J. NICOL, MMC
City Clerk of the City of Riverside

Dated: May 14, 2010

Publish: May 14, 2010

THE PRESS-ENTERPRISE

3450 Fourteenth Street
Riverside CA 92501-3878
951-684-1200
951-368-9018 FAX

PROOF OF PUBLICATION (2010, 2015.5 C.C.P.)

Press-Enterprise

PROOF OF PUBLICATION OF

Ad Desc.: Sustainable Energy Financing Distri

I am a citizen of the United States. I am over the age of eighteen years and not a party to or interested in the above entitled matter. I am an authorized representative of THE PRESS-ENTERPRISE, a newspaper of general circulation, printed and published daily in the County of Riverside, and which newspaper has been adjudicated a newspaper of general circulation by the Superior Court of the County of Riverside, State of California, under date of April 25, 1952, Case Number 54446, under date of March 29, 1957, Case Number 65673 and under date of August 25, 1995, Case Number 267864; that the notice, of which the annexed is a printed copy, has been published in said newspaper in accordance with the instructions of the person(s) requesting publication, and not in any supplement thereof on the following dates, to wit:

05-14-10

I Certify (or declare) under penalty of perjury that the foregoing is true and correct.

Date: May. 14, 2010
At: Riverside, California

RIVERSIDE CITY CLERK
3900 MAIN ST
RIVERSIDE CA 92522

Ad #: 10265033

PO #:

Agency #: _____

Ad Copy:

CITY OF RIVERSIDE NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that a public hearing will be held before the City Council of the City of Riverside, in the Art Pick Council Chamber, City Hall, 3900 Main Street, Riverside, California, on Tuesday, May 25, 2010, at 3 p.m. to discuss the formation of the Sustainable Energy Financing District.

The Energy High Efficiency Loan Program (E-HELP) will allow the City the ability to provide low-interest loans to property owners for installing energy efficiency and renewable generation measures on their properties. The new, special tax district would be citywide but would apply only to those property owners who chose to "opt-in" to the program in order to borrow money for the installation of these energy efficiency measures.

All persons interested in this matter are hereby invited to appear at the time and place herein specified to voice their opinions relating thereto. Persons unable to attend the hearing may forward their written statements to the City Clerk, City Hall, 3900 Main Street, Riverside, California 92522. If you challenge any of the above proposed actions in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City Clerk of the City of Riverside at, or prior to, the public hearing.

COLLEEN J. NICOL, MMC
City Clerk of the City of Riverside
Dated: May 14, 2010
Publish: May 14, 2010

5/14

RECEIVED
MAY 19 2010
City of Riverside
City Clerk's Office