

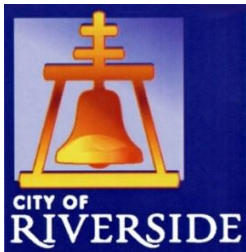


Community Facilities District Report

City of Riverside

Community Facilities District No. 2021-2
(Riverpointe/Park Place)

Prepared For



September 2021



Table of Contents

Sections

Section 1.	Introduction	1
Section 2.	Description of Facilities/Improvements and Services	2
Section 3.	Cost Estimate	4
Section 4.	Proposed Development	6
Section 5.	Rate and Method of Apportionment	7

Tables

Table 3-1.	Cost Estimate	4
------------	---------------	---

Appendices

- Appendix A. Rate and Method of Apportionment
- Appendix B. Boundary Map

1. Introduction

AGENCY: CITY OF RIVERSIDE

PROJECT: COMMUNITY FACILITIES DISTRICT NO. 2021-2 (RIVERPOINTE/PARK PLACE)

TO: CITY COUNCIL
CITY OF RIVERSIDE
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA

Whereas, the City Council of the CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, CALIFORNIA (hereinafter referred to as the “City Council”), did, pursuant to the provisions of the “Mello-Roos Community Facilities Act of 1982”, being chapter 2.5, Part 1, Division 2, Title 5 of the Government Code of the State of California, and specifically Section 53321.5 thereof, (the “Act”) expressly order the filing of a written Public Report (the “Report”) for a proposed Community Facilities District No. 2021-2 (Riverpointe/Park Place) of the City of Riverside. This Community Facilities District shall be referred to as COMMUNITY FACILITIES DISTRICT NO. 2021-2 OF THE CITY OF RIVERSIDE (hereinafter referred to as the “District” and “CFD No. 2021-2”); and,

Whereas, on August 3, 2021, the City Council adopted Resolution No. 23747 (the “Resolution”), and the Resolution ordering said Report, did direct that said Report generally contain the following:

- A brief description of the public facilities to be financed by CFD No. 2021-2;
- An estimate setting forth costs of providing such facilities;

NOW, THEREFORE, the undersigned, authorized representative of Webb Municipal Finance, LLC, the appointed Special Tax Consultant and responsible officer or person directed to prepare the Report, pursuant to the provisions of the Act, does hereby submit the following data:

2. Description of Facilities/Improvements and Services

Pursuant to Section 53340 of the Act, the proceeds of any Special Tax levied and collected by CFD No. 2021-2 may be used only to pay for the cost of providing public facilities, services, and incidental expenses. As defined by the Act, incidental expenses include, but are not limited to, the annual cost associated with determination of the amount of Special Taxes, collection of Special Taxes, payment of Special Taxes, or costs otherwise incurred in order to carry out the authorized purposes of the District.

A general description of the estimated proposed facilities, services and incidental expenses for the District is as follows (actual costs of facilities/improvements, development impact fees and services may change and are eligible to be funded in their entirety):

Facilities/Improvements

The proposed types of public facilities and expenses to be financed by the District include:

The construction, purchase, modification, expansion, rehabilitation and/or improvement of (i) water and wastewater, drainage, flood and storm protection facilities, signage, streets and roadways, traffic signals, street lighting, and parks and recreation facilities to be owned and operated by the City including all furnishings, equipment and supplies related thereto (collectively the “City Facilities”) (ii) the purchase, construction, expansion, improvement and/or rehabilitation of certain school facilities described in Attachment “B” to be owned and operated by Riverside Unified School District (“Riverside USD”), including all furnishings, equipment and supplies related thereto (the “Riverside USD Facilities”), and (iii) the purchase, construction, expansion, improvement and/or rehabilitation of certain school facilities described in Attachment “B” to be owned and operated by Alvord Unified School District (“Alvord USD”), including all furnishings, equipment and supplies related thereto (the “Alvord USD Facilities” and, together with the City Facilities and the Riverside USD Facilities, the “Facilities”), which Facilities have a useful life of five years or longer, and all appurtenances and appurtenant work in connection with the foregoing Facilities, and to finance the incidental expenses to be incurred in connection with the Facilities, including but not limited to:

- a. Costs related to engineering, planning, designing, materials testing, coordination, construction staking, construction management and supervision for such Facilities;
- b. All costs, including costs of the property owner petitioning to form the District, associated with the creation of the District, the issuance of the bonds, the determination of the amount of Special Tax A to be levied and costs otherwise incurred in order to carry out the authorized purposes of the District; and
- c. Any other expenses incidental to the construction, acquisition, modification, rehabilitation, completion and inspection of the Facilities.

Capitalized terms used and not defined herein shall have the meaning set forth in the Rate and Method of Apportionment of Special Taxes for the District.

Services

The services which may be funded with proceeds of the special tax of the District, as provided by Section 53313 of the Act, include the following (collectively, the “Services”):

2. Description of Facilities/Improvements and Services

- (i) maintenance of parks, parkways, park lighting, sidewalks, signage, landscaping in public areas, easements or right of way and open space;
- (ii) flood and storm protection services;
- (iii) the operation of storm drainage systems;
- (iv) maintenance of streets and roadways, and traffic signals;
- (v) graffiti and debris removal from public improvements; and
- (vi) maintenance and operation of any real property or other tangible property with an estimated useful life of five or more years that is owned by the City of Riverside.

In addition to payment of the cost and expense of the forgoing services, proceeds of the Special Tax B may be expended to pay “Administrative Expenses” as said term is defined in the Rate and Method of Apportionment and to establish an operating reserve for the costs of services as determined by the Administrator. Capitalized terms used and not defined herein shall have the meanings set forth in the Rate and Method of Apportionment of Special Tax for the District.

Incidental Expenses

The incidental expenses to be paid from bond proceeds and/or Special Taxes include: all costs associated with the creation of CFD No. 2021-2, the issuance of bonds, the determination of the amount of Special Taxes to be levied, costs otherwise incurred in order to carry out the authorized purposes of CFD No. 2021-2, including legal fees, fees of consultants, engineering, planning, designing and the annual administration cost of CFD No. 2021-2.

The description of the eligible public facilities, services and incidental expenses above are preliminary and general in nature. The final plans and specifications approved by the City may show substitutes or modifications in order to accomplish the work or serve the new development and any such substitution or modification shall not constitute a change or modification in the proceedings relating to CFD No. 2021-2.

Based upon the preceding, it is my opinion that the facilities being funded are those that are necessary to meet certain increased demands placed upon the CITY OF RIVERSIDE, as a result of development and/or rehabilitation occurring within the boundaries of the District.

DATED September 7, 2021

WEBB MUNICIPAL FINANCE, LLC

By: Heidi Schaepe
SPECIAL TAX CONSULTANT FOR
CITY OF RIVERSIDE
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA

3. Cost Estimate

1. The cost estimate, including incidental expenses, to be financed through the issuance of CFD No. 2021-2 Bonds is estimated to be approximately \$4,075,000 based upon current dollars (Fiscal Year 2021-22), with a project fund of \$3,303,852.
2. For further particulars, reference is made to Table 3-1 below and incorporated herein by reference.
3. Pursuant to Section 53340 of the Act, the proceeds of any Special Tax levied and collected by CFD No. 2021-2 may be used only to pay for the cost of providing public facilities, and incidental expenses. As defined by the Act, incidental expenses include, but are not limited to, the annual costs associated with determination of the amount of Special Taxes, collection of Special Taxes, payment of Special Taxes, or costs otherwise incurred in order to carry out the authorized purposes of the District. The incidental expenses associated with the annual administration of CFD No. 2021-2 are estimated to be \$30,000 in the initial Fiscal Year. However, it is anticipated that the incidental expenses will vary due to inflation and other factors that may not be foreseen today, and the actual incidental expenses may exceed these amounts accordingly.

*Table 3-1
Cost Estimate*

Funding Requirements	Zone 1	Zone 2	Total
City of Riverside Fees			
Aquatic Facilities Fee	\$20,880	\$23,925	\$44,805
Local Park Fee	\$223,008	\$255,530	\$478,538
Regional Park Fee	\$32,769	\$38,807	\$71,577
Trails Fee	\$466	\$551	\$1,017
Sewer Capacity Fee	\$205,632	\$235,620	\$441,252
Sewer Permit to Connect Fee	\$2,064	\$2,365	\$4,429
Water Backup Facility Capacity Charge (1" Meter)	\$242,880	\$278,300	\$521,180
Water Meter Charge (1" Domestic Meter)	\$4,224	\$4,840	\$9,064
Water Backup Facility Capacity Charge (1.5" Irrigation Meter)	\$0	\$19,120	\$19,120
Water Meter Charge (1.5" Irrigation Meter)	\$0	\$406	\$406
Storm Drain Fee	\$23,664	\$23,210	\$46,874
Traffic and Railroad Signal Fee	\$9,120	\$10,450	\$19,570
Transportation Impact Fee	\$25,200	\$28,875	\$54,075
Total City DIF	\$789,907	\$922,000	\$1,711,907
City of Riverside Premium			
Premium (20% of DIF)	\$157,981	\$184,400	\$342,381
Total City of Riverside	\$947,888	\$1,106,400	\$2,054,288
Riverside Unified School District			
School Facilities Level 1 Fees	\$423,174	\$0	\$423,174
School Facilities Estimated Premium	\$283,526	\$0	\$283,526
Total School District Fees	\$706,700	\$0	\$706,700

3. Cost Estimate

Alvord Unified School District			
School Facilities Level 1 Fees	\$0	\$417,588	\$417,588
School Facilities Estimated Premium	\$0	\$125,276	\$125,276
Total School District Fees	\$0	\$542,864	\$542,864
Total Fees	\$1,654,588	\$1,649,264	\$3,303,852
Bond Amount (4.25% Interest, 30 Year Term, 29 Year Amortization)	\$2,032,869	\$2,042,131	\$4,075,000
Underwriter Discount (2.00%)	(\$40,634)	(\$40,819)	(\$81,453)
Reserve Fund (MADS)	(\$121,086)	(\$121,637)	(\$242,723)
Capitalized Interest (12 mos.)	(\$86,347)	(\$86,740)	(\$173,088)
Incidental Costs (Estimate)	(\$124,716)	(\$125,284)	(\$250,000)
Total Discount, Reserve Fund, Capitalized Interest and Incidental Costs	(\$372,782)	(\$374,481)	(\$747,263)
Net Bond Proceeds	\$1,660,087	\$1,667,650	\$3,327,737

DATED September 7, 2021

WEBB MUNICIPAL FINANCE, LLC

By: Heidi Schaepp
SPECIAL TAX CONSULTANT FOR
CITY OF RIVERSIDE
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA

4. Proposed Development

CFD No. 2021-2 will consist of two noncontiguous zones and will include 103 units on 11.26 gross acres. Zone 1 is included in Tract 32292, will include 48 units on 5.97 gross acres, and is located south of Strong Street and west of Fairmount Boulevard. Zone 2 is included in Tract 37626, will include 55 units on 5.29 gross acres, and is located east of Tyler Street and south of Jurupa Avenue.

The Boundary Map for CFD No. 2021-2 is attached hereto as Appendix B.

5. Rate and Method of Apportionment

1. The Rate and Method of Apportionment allows each property owner within the proposed District to estimate the annual amount that would be required for payment. The Rate and Method of Apportionment of the Special Tax for the District, established pursuant to these proceedings, is attached hereto as Appendix A (the "Rate and Method of Apportionment"). The Special Tax(es) will be collected in the same manner and at the same time as ad valorem property taxes and subject to the same penalties and provisions; however, the Special Tax(es) may be collected at a different time or in a different manner if necessary for CFD No. 2021-2 to meet its financial obligations and may covenant to foreclose on delinquent parcels as permitted by the Act.
2. All of the property located within CFD No. 2021-2, unless exempted by law or by the Special Tax proposed for CFD No. 2021-2, shall be taxed for the purpose of providing the necessary facilities and services to serve the District. The Boundary Map for CFD No. 2021-2 is attached hereto as Appendix B. Pursuant to Section 53325.3 of the Act, each Special Tax imposed "is a Special Tax and not a special assessment, and there is no requirement that the tax be apportioned on the basis of benefit to any property." The Special Tax(es) may be based on benefit received by property, the cost of making facilities or services available or other reasonable basis as determined by the City Council, although the Special Tax(es) may not be apportioned on an ad valorem basis pursuant to Article XIII A of the California Constitution. A property owner within the District may choose to prepay in whole or in part the Special Tax A. The available method for so doing is described in Section G of the Rate and Method ("Prepayment of Special Tax A" and "Prepayment in Part").

For each year that any bonds are outstanding, the Special Tax A shall be levied on all taxable parcels in accordance with this Rate and Method of Apportionment. If any delinquent Special Taxes remain uncollected prior to or after all bonds are retired, the Special Tax A may be levied to the extent necessary to reimburse the CFD for uncollected Special Taxes and costs associated with the levy of such Special Taxes, but the Special Tax A shall not be levied after the 2061-2062 Fiscal Year.

3. For particulars as to the Rate and Method of Apportionment, see the attached and incorporated Appendix A.

It is my opinion that the Rate and Method of Apportionment, described above and set forth in Appendix A, is fair and reasonable.

This Report has been prepared and consolidated by the Special Tax Consultant, Webb Municipal Finance, LLC, and is herewith submitted to the City Council pursuant to the applicable provisions of the Mello-Roos Community Facilities Act of 1982.

DATED September 7, 2021
WEBB MUNICIPAL FINANCE, LLC

By: Heidi Schoeppe
SPECIAL TAX CONSULTANT FOR
CITY OF RIVERSIDE
COUNTY OF RIVERSIDE
STATE OF CALIFORNIA

APPENDIX A

Rate and Method of Apportionment



**RATE AND METHOD OF APPORTIONMENT FOR
COMMUNITY FACILITIES DISTRICT NO. 2021-2 (RIVERPOINTE/PARK PLACE)
OF THE CITY OF RIVERSIDE**

The following sets forth the Rate and Method of Apportionment for the levy and collection of Special Tax A and Special Tax B of Community Facilities District No. 2021-2 (Riverpointe/Park Place) of the City of Riverside ("CFD No. 2021-2"). A Special Tax A and Special Tax B shall be levied on and collected in CFD No. 2021-2 each Fiscal Year, in an amount determined through the application of the Rate and Method of Apportionment described below. All real property within CFD No. 2021-2, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

**SECTION A
DEFINITIONS**

The terms hereinafter set forth have the following meanings:

"Acquisition Agreement" means the Acquisition Agreement by and between the City and the property owner, or such successor, as it may be amended.

"Acre" or "Acreage" means the land area of an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on the Assessor's Parcel Map, the land area as shown on the applicable Final Map, or if the land area is not shown on the applicable Final Map, the land area shall be calculated by the Administrator or City Engineer.

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

"Administrative Expenses" means all actual or reasonably estimated costs and expenses of the District that are chargeable or allocable to carry out its duties as the administrator as allowed by the Act, which shall include without limitation the following actual or reasonably estimated costs related to the administration of CFD No. 2021-2: the costs of computing the Special Taxes and preparing the annual Special Tax collection schedules (whether by the City, designee thereof, or both); the costs of collecting the Special Taxes (whether by the City or otherwise); the costs of remitting the Special Taxes to the Trustee; the costs of the Trustee (including its legal counsel) in the discharge of the duties required of it under the Indenture; the costs to the City, CFD No. 2021-2, or any designee thereof complying with arbitrage rebate requirements; the costs to the City, CFD No. 2021-2, or any designee thereof complying with City or major property owner disclosure requirements associated with applicable federal and state securities laws and of the Act; the costs associated with preparing Special Tax disclosure statements and responding to public inquiries regarding the Special Taxes; the costs associated with the release of funds from an escrow account; and the costs associated with the issuance of Bonds, the City's annual administration fees, and third party expenses. Administrative Expenses shall also include amounts estimated or advanced by the City or CFD No. 2021-2 for any other administrative

purposes, including attorney's fees and other costs related to commencing and pursuing to completion any foreclosure, or otherwise addressing the disposition of delinquent Special Taxes.

“Administrator” means an official of the City, or designee thereof, responsible for, among other things, determining the annual amount of the levy and collection of the Special Taxes.

“Annual Special Tax A” means for each Assessor’s Parcel, the Special Tax A actually levied in a given Fiscal Year on any Assessor’s Parcel.

“Annual Special Tax B” means for each Assessor’s Parcel, the Special Tax B actually levied in a given Fiscal Year on any Assessor’s Parcel.

“Approved Property” means all Assessor’s Parcels of Taxable Property other than Provisional Undeveloped Property: (i) that are included in a Final Map that was recorded prior to the January 1st preceding the Fiscal Year in which the Special Tax A is being levied, and (ii) that have not been issued a building permit on or before March 1st preceding the Fiscal Year in which the Special Tax A is being levied.

“Assessor’s Parcel” means a lot or parcel of land designated on an Assessor’s Parcel Map with an assigned Assessor’s Parcel Number within the boundaries of CFD No. 2021-2.

“Assessor’s Parcel Map” means an official map of the Assessor of the County designating parcels by Assessor’s Parcel Number.

“Assessor’s Parcel Number” means that number assigned to a lot or parcel of land by the County Assessor for purposes of identification.

“Assigned Special Tax A” means the Special Tax A of that name described in Section D below.

“Backup Special Tax A” means the Special Tax A of that name described in Section E below.

“Bonds” means those bonds or any other debt issued by or on behalf of CFD No. 2021-2, or any refunding thereof, to which Special Tax A within CFD No. 2021-2 has been pledged.

“Boundary Map” means a recorded map of the CFD No. 2021-2 which indicates the boundaries of CFD No. 2021-2.

“Building Square Footage” or “BSF” means the square footage of assessable internal living space, exclusive of garages or other structures not used as living space, as determined by reference to the building permit application for such Assessor’s Parcel and subject to verification by the City.

“Calendar Year” means the period commencing January 1 of any year and ending the following December 31.

“CFD No. 2021-2” or “CFD” means Community Facilities District No. 2021-2 of the City of Riverside established by the City under the Act.

“City” means the City of Riverside, or its designee.

“City Council” means the City Council of the City of Riverside, acting as the legislative body of CFD No. 2021-2, or its designee.

“Consumer Price Index” or “CPI” means the index published monthly by the U.S. Department of Labor, Bureau of Labor Statistics for all urban consumers in the Riverside-San Bernardino-Ontario area. In the event this index ceases to be published, the Consumer Price Index shall be another index as determined by the Administrator that is reasonably comparable to the Consumer Price Index for the Riverside-San Bernardino-Ontario area.

“County” means the County of Riverside.

“Developed Property” means all Assessor’s Parcels of Taxable Property other than Provisional Undeveloped Property that: (i) are included in a Final Map that was recorded prior to January 1st preceding the Fiscal Year in which the Special Taxes are to be levied, and (ii) a building permit was issued on or before March 1st preceding the Fiscal Year in which the Special Taxes are to be levied.

“Dwelling Unit” means each separate residential dwelling unit that comprises an independent facility capable of conveyance or rental separate from adjacent residential dwelling units.

“Exempt Property” means all Assessor’s Parcels designated as being exempt from the Special Taxes as provided for in Section L.

“Final Map” means a subdivision of property by recordation of a final map, parcel map, or lot line adjustment, pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) or recordation of a condominium plan pursuant to California Civil Code 4285 that creates individual lots for which building permits may be issued without further subdivision.

“Fiscal Year” means the period commencing July 1 of any year and ending the following June 30.

“Indenture” means the indenture, fiscal agent agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended and/or supplemented from time to time.

“Land Use Type” means Residential Property or Non-Residential Property as assigned in the tables in Section D.

“Lot” means an individual legal lot created by a Final Map for which a Building Permit could be issued.

“Maximum Special Tax A” means for each Assessor’s Parcel of Taxable Property, the maximum Special Tax A, determined in accordance with Section C that can be levied in any given Fiscal Year on such Assessor’s Parcel.

“Maximum Special Tax B” means for each Assessor’s Parcel of Developed Property, the maximum amount of Special Tax B, determined in accordance with Section H that can be levied in any given Fiscal Year on such Assessor’s Parcel.

“Minimum Acreage” means the smallest allowable amount of taxable acreage. For CFD No. 2021-2, it shall not be less than 5.75 acres. The minimum acreage per Zone is as follows: (i) Zone 1 – 3.39 acres and (ii) Zone 2 – 2.36 acres.

“Non-Residential Property” means all Assessor’s Parcels of Developed Property for which a building permit was issued for any type of non-residential use.

“Operating Fund for Services” means a fund that shall be maintained for CFD No. 2021-2 for any Fiscal Year to pay for the actual costs of providing the Services and the Administrative Expenses attributable to providing such Services.

“Operating Fund Balance” means the amount of funds in the Operating Fund for Services at the end of the preceding Fiscal Year.

“Partial Prepayment Amount” means the amount required to prepay a portion of the Special Tax A obligation for an Assessor’s Parcel, as described in Section G.

“Prepayment Amount” means the amount required to prepay the Special Tax A obligation in full for an Assessor’s Parcel, as described in Section G.

“Property Owner Association” means a corporation formed by a real estate developer, or its successors, which was formed for the purpose of marketing, selling, and managing the common interests of the homes and lots within CFD No. 2021-2.

“Property Owner’s Association Property” means all Assessor’s Parcels which, as of July 1st of the Fiscal Year in which the Special Taxes are to be levied, have been conveyed, dedicated to, or irrevocably offered for dedication to the Property Owner Association, including any master or sub-association.

“Proportionately” means for Special Tax A that the ratio of the Special Tax A levy to the applicable Assigned Special Tax A is equal for all applicable Assessor’s Parcels. In the case of Special Tax B, means that the ratio of the Special Tax B levy to the applicable Maximum Special Tax B is equal for all applicable Assessor’s Parcels. In case of Developed Property subject to the apportionment of the Special Tax A under Step Four of Section F, “Proportionately” means that the quotient of (a) Special Tax A less the Assigned Special Tax A divided by (b) the Backup Special Tax A less the Assigned Special Tax A, is equal for all applicable Assessor’s Parcels.

“Provisional Undeveloped Property” means all Assessor’s Parcels of Taxable Property subject to Special Tax A that would otherwise be classified as Exempt Property pursuant to the provisions of Section L, but cannot be classified as Exempt Property because to do so would reduce the Acreage of all Taxable Property below the required Minimum Acreage set forth in this Section A.

"Public Property" means all Assessor's Parcels which, as of July 1st of the Fiscal Year in which the Special Tax is being levied, are used for rights-of-way or any other purpose and is owned by, dedicated to, or irrevocably offered for dedication to the federal government, the State of California, the County, or any other local jurisdiction, provided, however, that any property leased by a public agency to a private entity and subject to taxation under Section 53340.1 of the Act shall be taxed and classified according to its use.

"Residential Property" means all Assessor's Parcels of Developed Property for which a building permit has been issued for purposes of constructing one or more residential dwelling units, which is not Multifamily Residential Property.

"Services" means the services permitted under the Act including, without limitation, street sweeping, traffic signal maintenance, the maintenance of landscaping and lighting of publicly owned parks, parkways, streets, roads and open spaces, flood and storm protection services, and the operation of storm drainage systems contained within the boundaries of CFD No. 2021-2 and the City.

"Special Tax(es)" means, collectively, Special Tax A and Special Tax B authorized to be levied within CFD No. 2021-2 pursuant to the Act to fund the Special Tax A Requirement and the Special Tax B Requirement.

"Special Tax A" means any of the special taxes authorized to be levied on Taxable Property within CFD No. 2021-2 pursuant to the Act to fund the Special Tax A Requirement.

"Special Tax B" means the special tax authorized to be levied in each Fiscal Year on each Assessor's Parcel of Developed Property to fund the Special Tax B Requirement.

"Special Tax A Requirement" means, subject to the Maximum Special Tax A, the amount required in any Fiscal Year to pay: (i) the debt service or the periodic costs on all outstanding Bonds due in the Calendar Year that commences in such Fiscal Year, (ii) Administrative Expenses (apportioned between Special tax A and Special Tax B), (iii) the costs associated with the release of funds from an escrow account, (iv) any amount required to establish or replenish any reserve funds established in association with the Bonds, and (v) the collection or accumulation of funds for the acquisition or construction of facilities or payment of fees authorized by CFD No. 2021-2 by the levy on Developed Property of the Assigned Special Tax A, as required by the Acquisition Agreement provided that the inclusion of such amount does not cause an increase in the levy of Special Tax A on Approved Property or Undeveloped Property as set forth in Step Two and Three of Section F, less (vi) any amount available to pay debt service or other periodic costs on the Bonds pursuant to any applicable fiscal agent agreement, or trust agreement.

"Special Tax B Requirement" means the amount to be collected in any Fiscal Year to pay for certain costs as required to meet the needs of CFD No. 2021-2 for Services in both the current Fiscal Year and the next Fiscal Year. The costs to be covered shall be the (i) direct costs for Services, (ii) amount necessary to fund an operating reserve for the costs of Services as

determined by the Administrator, and (iii) Administrative Expenses, less (iv) a credit in an amount equal to the Operating Fund Balance. Under no circumstances shall the Special Tax B Requirement include funds for Bonds.

"Taxable Property" means all Assessor's Parcels within CFD No. 2021-2, which are not Exempt Property.

"Trustee" means the firm that holds and administers assets on behalf of CFD No. 2021-2 under and pursuant to the Indenture.

"Undeveloped Property" means all Assessor's Parcels of Taxable Property which are not Developed Property, Approved Property or Provisional Undeveloped Property.

"Zone(s)" means Zone 1 or 2 as geographically identified on the Boundary Map.

"Zone 1" means the specific geographic area as depicted on the Boundary Map.

"Zone 2" means the specific geographic area as depicted on the Boundary Map.

SECTION B CLASSIFICATION OF ASSESSOR'S PARCELS

Each Fiscal Year, beginning with Fiscal Year 2021-2022, each Assessor's Parcel within CFD No. 2021-2 shall be classified as Taxable Property or Exempt Property. In addition, each Assessor's Parcel of Taxable Property shall be further classified as Developed Property, Approved Property, Undeveloped Property, or Provisional Undeveloped Property. In addition, each Assessor's Parcel of Developed Property shall further be classified as Residential Property or Non-Residential Property. Lastly, Assessor's Parcels of Residential Property shall be further categorized into Land Use Type based on the Building Square Footage for such Assessor's Parcel.

SECTION C MAXIMUM SPECIAL TAX A

Prior to the issuance of Bonds, the Assigned Special Tax A for Developed Property, Approved Property, Undeveloped Property, Provisional Undeveloped Property, and the Backup Special Tax may be reduced in accordance with and subject to the conditions set forth in this Section C without the need for any proceedings to make changes as permitted under the Act.

The Assigned Special Tax A for Approved Property, Undeveloped Property and for Provisional Undeveloped Property will be reduced as a result of a reduction in the Backup Special Tax A for Developed Property as provided in the preceding paragraph. Each reduction for a Land Use Type shall be calculated separately, as reasonably determined by the Administrator, and it shall not be

required that such reduction be proportionate among Land Use Types. The reductions permitted pursuant to this Section C shall be reflected in an amended notice of Special Tax lien which the City shall cause to be recorded by executing a certificate in substantially the form attached herein as Exhibit A.

1. Developed Property

The Maximum Special Tax A for each Assessor's Parcel of Residential Property that is classified as Developed Property in any Fiscal Year shall be the amount determined by the greater of (i) the application of the Assigned Special Tax A in the tables included in Section D below or (ii) the application of the Backup Special Tax A described in Section E below. The Maximum Special Tax A for each Assessor's Parcel of Non-Residential Property that is classified as Developed Property in any Fiscal Year shall be the Assigned Special Tax A in the tables included in Section D below.

2. Approved Property, Undeveloped Property, and Provisional Undeveloped Property

The Maximum Special Tax A for each Assessor's Parcel classified as Approved Property, Undeveloped Property, or Provisional Undeveloped Property in any Fiscal Year shall be the Assigned Special Tax A as set forth in Section D below.

**SECTION D
ASSIGNED SPECIAL TAX A**

1. Developed Property

Each Fiscal Year, beginning with Fiscal Year 2021-22, each Assessor's Parcel of Developed Property shall be subject to an Assigned Special Tax A. The Assigned Special Tax A applicable to an Assessor's Parcel of Developed Property for any Fiscal Year shall be determined pursuant to Tables 1 or 2 below based upon the Zone in which the Assessor's Parcel is located.

**TABLE 1
ASSIGNED SPECIAL TAX A
FOR DEVELOPED PROPERTY WITHIN ZONE 1**

Land Use Type	Building Square Footage	Assigned Special Tax A
Residential Property	Less than 1,851	\$2,830 per Dwelling Unit
Residential Property	1,851 – 2,050	\$2,970 per Dwelling Unit
Residential Property	2,051 – 2,250	\$3,110 per Dwelling Unit
Residential Property	Greater than 2,250	\$3,250 per Dwelling Unit
Non-Residential Property	N/A	\$43,666 per Acre

**TABLE 2
ASSIGNED SPECIAL TAX A
FOR DEVELOPED PROPERTY WITHIN ZONE 2**

Land Use Type	Building Square Footage	Assigned Special Tax A
Residential Property	Less than 1,750	\$2,645 per Dwelling Unit
Residential Property	1,750 – 1,900	\$2,705 per Dwelling Unit
Residential Property	Greater than 1,900	\$2,765 per Dwelling Unit
Non-Residential Property	N/A	\$63,119 per Acre

2. Approved Property, Undeveloped Property and Provisional Undeveloped Property

Each Fiscal Year, beginning with Fiscal Year 2021-22, each Assessor's Parcel of Approved Property, Undeveloped Property and Provisional Undeveloped Property shall be subject to an Assigned Special Tax A. The Assigned Special Tax A rate for an Assessor's Parcel classified as Approved Property, Undeveloped Property or Provisional Undeveloped Property shall be determined pursuant to Table 3 below based upon the Zone in which the Assessor's Parcel is located.

**TABLE 3
ASSIGNED SPECIAL TAX A
FOR APPROVED PROPERTY, UNDEVELOPED PROPERTY,
AND PROVISIONAL UNDEVELOPED PROPERTY**

Zone	Assigned Special Tax A
Zone 1	\$43,666 per Acre
Zone 2	\$63,119 per Acre

**SECTION E
BACKUP SPECIAL TAX A**

At the time a Final Map is recorded, the Backup Special Tax A for all Assessor's Parcels classified or reasonably expected to be classified as Residential Property within such Final Map area shall be determined by multiplying the Maximum Special Tax A rate for Undeveloped Property by the total Acreage of Taxable Property in such Final Map, excluding the Provisional Undeveloped Property Acreage, and/or Non-Residential Property Acreage if any, in such Final Map and any Acreage reasonably expected to be classified as Exempt Property, and dividing such amount by the total number of such Assessor's Parcels of Residential Property.

The Backup Special Tax A for Non-Residential Property shall be its Assigned Special Tax A rate.

Notwithstanding the foregoing, if Assessor's Parcels which are classified or to be classified as Residential Property or Non-Residential are subsequently changed by recordation of a lot line

adjustment, Final Map amendment, new Final Map or similar instrument, then the Backup Special Tax A shall be recalculated within the area that has been changed to equal the amount of Backup Special Tax A that would have been generated if such change did not take place.

SECTION F

METHOD OF APPORTIONMENT OF THE SPECIAL TAX A

Commencing Fiscal Year 2021-2022 and for each subsequent Fiscal Year, the City Council shall levy Special Tax A on all Taxable Property until the amount of Special Tax A equals the Special Tax A Requirement in accordance with the following steps:

- Step One: The Special Tax A shall be levied Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Assigned Special Tax A in the tables included in Section D as needed to satisfy the Special Tax A Requirement.
- Step Two: If additional moneys are needed to satisfy the Special Tax A Requirement after the first step has been completed, the Special Tax A shall be levied Proportionately on each Assessor's Parcel of Approved Property at up to 100% of the applicable Assigned Special Tax A to satisfy the Special Tax A Requirement.
- Step Three: If additional moneys are needed to satisfy the Special Tax A Requirement after the first two steps have been completed, the Special Tax A shall be levied Proportionately on each Assessor's Parcel of Undeveloped Property up to 100% of the Assigned Special Tax A for Undeveloped Property applicable to each such Assessor's Parcel as needed to satisfy the Special Tax A Requirement.
- Step Four: If additional moneys are needed to satisfy the Special Tax A Requirement after the first three steps have been completed, then the Special Tax A on each Assessor's Parcel of Developed Property for which the Maximum Special Tax A is the Backup Special Tax A shall be increased Proportionately from the Assigned Special Tax A up to 100% of the Backup Special Tax A as needed to satisfy the Special Tax A Requirement.
- Step Five: If additional moneys are needed to satisfy the Special Tax A Requirement after the first four steps have been completed, the Special Tax A shall be levied Proportionately on each Assessor's Parcel of Provisional Undeveloped Property up to 100% of the Assigned Special Tax A applicable to each such Assessor's Parcel as needed to satisfy the Special Tax A Requirement.

Under no circumstances will the Special Tax A levied against any Assessor's Parcel used as a private residence be increased as a consequence of delinquency or default by the owner of any other Assessor's Parcel or Parcels within the CFD by more than ten percent (10%) of the Special Tax A that would have been levied in that Fiscal Year, had there never been any such

delinquencies or defaults, pursuant to California Government Code Section 53321(d), as in effect on the date of formation of CFD No. 2021-2.

SECTION G PREPAYMENT OF SPECIAL TAX A

The following definition applies to this Section G:

“CFD Public Facilities” means \$2,965,119, expressed in 2021 dollars, which shall increase by the Construction Inflation Index on July 1, 2022, and on each July 1 thereafter, or such lower number as (i) shall be determined by the Administrator as sufficient to provide the public facilities under the authorized bonding program, or (ii) shall be determined by the City Council concurrently with a covenant that the CFD will not issue any more Bonds to be supported by the Special Tax A levied under this Rate and Method of Apportionment.

“Construction Fund” means, collectively, all accounts specifically identified in the Indenture to hold funds which are currently available for expenditure to acquire or construct public facilities eligible under the Act and any accounts established prior to the issuance of Bonds for such purpose.

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

“Future Facilities Costs” means the CFD Public Facilities minus: (i) Bond proceeds deposited in the Construction Fund and (ii) other amounts (special taxes, interest earnings, etc.) allocated to the Construction Fund that were available to fund such CFD Public Facilities prior to the date of prepayment.

“Outstanding Bonds” means all previously issued Bonds, which will remain outstanding after the payment of principal from the amount of the Special Tax A that has been levied, excluding Bonds to be redeemed at a later date with the proceeds of prior prepayments of the Special Tax A.

1. Prepayment in Full

The Special Tax A obligation may be prepaid and permanently satisfied for: (i) Parcels of Developed Property, (ii) Parcels of Approved Property, Undeveloped Property, or Provisional Undeveloped Property for which a Building Permit has been issued, (iii) Parcels of Approved Property, Undeveloped Property or Provisional Undeveloped Property for which a Building Permit has not been issued, and (iv) Parcels of Public Property or Property Owners’

Association Property that are not Exempt Property pursuant to Section L. The Special Tax A obligation applicable to a Parcel may be fully prepaid and the obligation to pay the Special Tax A for such Parcel permanently satisfied as described herein; provided that a prepayment may be made only if there are no delinquent Special Taxes with respect to such Parcel at the time of prepayment. An owner of a Parcel intending to prepay the Special Tax A obligation for such Parcel shall provide the Administrator with written notice of intent to prepay, and within five (5) business days of receipt of such notice, the Administrator shall notify such owner of the amount of the non-refundable deposit determined to cover the cost to be incurred by the CFD in calculating the Prepayment Amount (as defined below) for the Parcel. Within fifteen (15) days of receipt of such non-refundable deposit, the Administrator shall notify such owner of the Prepayment Amount for the Parcel. Prepayment must be made not less than sixty (60) days prior to the redemption date for any Bonds to be redeemed with the proceeds of such prepaid Special Tax A.

The Prepayment Amount shall be calculated as follows (capitalized terms are defined below):

	Bond Redemption Amount
plus	Redemption Premium
plus	Future Facilities Amount
plus	Defeasance Amount
plus	Administrative Fees and Expenses
<u>less</u>	<u>Reserve Fund Credit</u>
equals	Prepayment Amount

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

1. Confirm that no Special Tax A delinquencies apply to such Parcel.
2. For a Parcel of Developed Property, compute the Maximum Special Tax A for the Parcel. For a Parcel of Approved Property or Undeveloped Property for which a Building Permit has been issued, compute the Maximum Special Tax A for the Parcel as though it was already designated as Developed Property, based upon the Building Permit which has been issued for the Parcel. For a Parcel of Approved Property or Undeveloped Property for which a Building Permit has not been issued, Public Property or Property Owners' Association Property to be prepaid, compute the Maximum Special Tax A for the Parcel.
3. Divide the Maximum Special Tax A derived pursuant to paragraph 2 by the total amount of the Special Tax A that could be levied at build out of all Parcels of Taxable Property based on the applicable Maximum Special Tax A for all such Parcels of Taxable Property not including any Parcels for which the Special Tax A obligation has been previously prepaid.
4. Multiply the quotient derived pursuant to paragraph 3 by the principal amount of the Outstanding Bonds to determine the amount of Outstanding Bonds to be redeemed with the Prepayment Amount (the "Bond Redemption Amount").

5. Multiply the Bond Redemption Amount by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed (the "Redemption Premium").
6. Determine the Future Facilities Costs.
7. Multiply the quotient derived pursuant to paragraph 3 by the amount determined pursuant to paragraph 6 to determine the portion of the Future Facilities Costs applicable to the Parcel (the "Future Facilities Amount").
8. Determine the amount needed to pay interest on the Bond Redemption Amount from the first bond interest and/or principal payment date following the current Fiscal Year until the earliest redemption date for the Outstanding Bonds on which Bonds can be redeemed from Special Tax A prepayments.
9. Determine the amount of Special Tax A to be levied on the Parcel in the current Fiscal Year which has not yet been paid.
10. Determine the amount the Administrator reasonably expects to derive from the investment of the Bond Redemption Amount and the Redemption Premium from the date of prepayment until the redemption date for the Outstanding Bonds to be redeemed with the Prepayment Amount.
11. Add the amounts derived pursuant to paragraphs 8 and 9 and subtract the amount derived pursuant to paragraph 10 (the "Defeasance Amount").
12. Verify the administrative fees and expenses of the CFD, including the cost of computation of the Prepayment Amount, the cost to invest the Prepayment Amount, the cost of redeeming the Outstanding Bonds, and the cost of recording notices to evidence the prepayment of the Special Tax A obligation for the Parcel and the redemption of Outstanding Bonds (the "Administrative Fees and Expenses").
13. The reserve fund credit (the "Reserve Fund Credit") shall equal the lesser of: (a) the expected reduction in the reserve requirement (as defined in the Indenture), if any, associated with the redemption of Outstanding Bonds as a result of the prepayment, or (b) the amount derived by subtracting the new reserve requirement (as defined in the Indenture) in effect after the redemption of Outstanding Bonds as a result of the prepayment from the balance in the reserve fund on the prepayment date, but in no event shall such amount be less than zero.
14. The Prepayment Amount is equal to the sum of the Bond Redemption Amount, the Redemption Premium, the Future Facilities Amount, the Defeasance Amount and the Administrative Fees and Expenses, less the Reserve Fund Credit.
15. From the Prepayment Amount, the Bond Redemption Amount, the Redemption Premium, and Defeasance Amount shall be deposited into the appropriate fund as

established under the Indenture and be used to redeem Outstanding Bonds or make debt service payments. The Future Facilities Amount shall be deposited into the Construction Fund. The Administrative Fees and Expenses shall be retained by the CFD.

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

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

Notwithstanding the foregoing, no Special Tax A prepayment shall be allowed unless the amount of Maximum Special Tax A that may be levied on all Parcels of Taxable Property after the proposed prepayment will be at least 1.10 times maximum annual debt service on the Bonds that will remain outstanding after the prepayment plus the estimated annual Administrative Expenses.

Tenders of Bonds in prepayment of the Special Tax A obligation may be accepted upon the terms and conditions established by the City Council pursuant to the Act. However, the use of Bond tenders shall only be allowed on a case-by-case basis as specifically approved by the City Council.

2. Prepayment in Part

The Special Tax obligation for a Parcel of Developed Property, Approved Property, or Undeveloped Property may be partially prepaid. For purposes of determining the partial prepayment amount, the provisions of Section G.1 shall be modified as provided by the following formula:

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

These terms have the following meaning:

PP = Partial Prepayment

P_E = the Prepayment Amount calculated according to Section G.1

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

A = the Administrative Fees and Expenses determined pursuant to Section G.1

The owner of a Parcel who desires to partially prepay the Special Tax A obligation for the Parcel shall notify the Administrator of: (i) such owner's intent to partially prepay the Special Tax A obligation, (ii) the percentage of the Special Tax A obligation such owner wishes to prepay, and (iii) the company or agency that will be acting as the escrow agent, if any. Within five (5) days of receipt of such notice, the Administrator shall notify such property owner of the amount of the non-refundable deposit determined to cover the cost to be incurred by the CFD in calculating the amount of a partial prepayment. Within fifteen (15) business days of receipt of such non-refundable deposit, the Administrator shall notify such owner of the amount of the Partial Prepayment for the Parcel. A Partial Prepayment must be made not less than sixty (60) days prior to the redemption date for the Outstanding Bonds to be redeemed with the proceeds of the Partial Prepayment.

With respect to any Parcel for which the Special Tax A obligation is partially prepaid, the Administrator shall: (i) distribute the Partial Prepayment as provided in Paragraph 15 of Section G.1 and (ii) indicate in the records of the CFD that there has been a Partial Prepayment for the Parcel and that a portion of the Special Tax A obligation equal to the remaining percentage $(1.00 - F)$ of the Special Tax A obligation will continue on the Parcel pursuant to Section F.

Notwithstanding the foregoing, no Special Tax A partial prepayment shall be allowed unless the amount of Maximum Special Tax A that may be levied on all Parcels of Taxable Property after the proposed partial prepayment will be at least 1.10 times maximum annual debt service on the Bonds that will remain outstanding after the partial prepayment plus the estimated annual Administrative Expenses.

SECTION H
MAXIMUM SPECIAL TAX B

1. Developed Property

Maximum Special Tax B

The Maximum Special Tax B for each Assessor's Parcel of Developed Property for each Land Use Type is shown in the Tables below for Zones 1 and 2.

TABLE 4
MAXIMUM SPECIAL TAX B
FOR DEVELOPED PROPERTY WITHIN ZONE 1

Land Use Type	Rate
Residential Property	\$112 per Unit
Non-Residential Property	\$1,580 per Acre

TABLE 5
MAXIMUM SPECIAL TAX B
FOR DEVELOPED PROPERTY WITHIN ZONE 2

Land Use Type	Rate
Residential Property	\$286 per Unit
Non-Residential Property	\$6,657 per Acre

On each July 1, commencing July 1, 2022, the Maximum Special Tax B for Developed Property for the prior Fiscal Year shall be increased by the greater of: (i) an amount equal to the percentage change increase in the Consumer Price Index for the twelve-month period ending in March of the prior Fiscal Year or (ii) three percent (3%).

2. Approved Property

The Maximum Special Tax B for each Assessor's Parcel of Residential and Non-Residential Property that is classified as Approved Property in Fiscal Year 2021-22 shall be \$1,580 per Acre for parcels within Zone 1 and \$6,657 per Acre for parcels within Zone 2.

On each July 1, commencing July 1, 2022, the Maximum Special Tax B for Approved Property for the prior Fiscal Year shall be increased by the greater of: (i) an amount equal to the percentage change increase in the Consumer Price Index for the twelve-month period ending in March of the prior Fiscal Year or (ii) three percent (3%).

2. Undeveloped Property and Provisional Undeveloped Property

No Special Tax B shall be levied on Undeveloped Property and Provisional Undeveloped Property.

SECTION I METHOD OF APPORTIONMENT OF THE SPECIAL TAX B

Commencing Fiscal Year 2021-2022 and for each subsequent Fiscal Year, the City Council shall levy Special Tax B on all Taxable Property until the amount of Special Tax B equals the Special Tax B Requirement in accordance with the following steps:

- Step One: The Special Tax B shall be levied Proportionately on each Assessor's Parcel of Developed Property at up to 100% of the applicable Maximum Special Tax B as needed to satisfy the Special Tax B Requirement.
- Step Two: If additional moneys are needed to satisfy the Special Tax B after the first step has been completed, the Special Tax B shall be levied Proportionately on each Assessor's Parcel of Approved Property, at up to 100% of the Maximum Special Tax B applicable to each such Assessor's Parcel as needed to satisfy the Special Tax B Requirement.

SECTION J PREPAYMENT OF SPECIAL TAX B

Special Tax B cannot be prepaid.

SECTION K TERMINATION OF SPECIAL TAX A AND SPECIAL TAX B

For each Fiscal Year that any Bonds are outstanding the Special Tax A shall be levied on all Assessor's Parcels subject to the Special Tax A. If any delinquent Special Tax A remains uncollected prior to or after all Bonds are retired, the Special Tax A may be levied to the extent necessary to reimburse CFD No. 2021-2 for uncollected Special Taxes A associated with the levy of such Special Tax A, but no later than 2061-62 Fiscal Year. The Special Tax B shall be levied as long as each is needed to meet the Special Tax B Requirement as determined at the sole discretion of the City Council.

SECTION L EXEMPT PROPERTY

The City shall classify as Exempt Property: (i) Assessor's Parcels defined as Public Property, (ii) Assessor's Parcels which are used as places of worship and are exempt from *ad valorem* property taxes because they are owned by a religious organization, (iii) Assessor's Parcels used exclusively

by a Property Owner's Association, or (iv) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement.

Notwithstanding the above, the City Council shall not classify an Assessor's Parcel as Exempt Property within a Zone if such classification would reduce the sum of the Taxable Property to less than the Minimum Acreage for that Zone as defined in Section A above. Assessor's Parcels which cannot be classified as Exempt Property because such classification would reduce the Acreage of the Taxable Property to less than the Minimum Acreage per Zone will continue to be classified as Taxable Property, and will continue to be subject to Special Taxes accordingly.

Tax-exempt status will be assigned by the Administrator in chronological order. If an Assessor's Parcel's classification is changed after the initial status is assigned, then its tax-exempt status will be revoked.

SECTION M APPEALS AND INTERPRETATIONS

Any property owner claiming that the amount or application of the Special Tax A or Special Tax B is not correct may file a written notice of appeal with the Administrator not later than twelve (12) months after having paid the first installment of the Special Tax A or Special Tax B that is disputed. A representative(s) of CFD No. 2021-2 shall promptly review the appeal, and if necessary, meet with the property owner, consider written and oral evidence regarding the amount of the Special Tax A or Special Tax B, and rule on the appeal. If the representative's decision requires that the Special Tax A or Special Tax B for an Assessor's Parcel be modified or changed in favor of the property owner, the representative shall take any of the following actions, in order of priority, to correct the error:

- (i) if possible, amend the Special Tax levy on the property owner's Assessor's Parcel(s) for the current Fiscal Year prior to the payment date;
- (ii) require CFD No. 2021-2 to reimburse the property owner for the amount of the overpayment to the extent of available CFD No. 2021-2 funds; or
- (iii) grant a credit against, eliminate or reduce the future Special Taxes on the property owner's Assessor's Parcel(s) in the amount of the overpayment.

SECTION N MANNER OF COLLECTION

The Special Tax A or Special Tax B shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that CFD No. 2021-2 may collect Special Tax A and Special Tax B at a different time or in a different manner if necessary to meet its financial obligations.

SECTION O INTERPRETATIONS

The City Council may interpret this Rate and Method of Apportionment of Special Tax by ordinance or resolution for purposes of clarifying any vagueness or ambiguity. Any decision of the City Council shall be final and binding as to all persons.

EXHIBIT A

CERTIFICATE TO ADJUST SPECIAL TAX A

DISTRICT CERTIFICATE

1. Pursuant to Section D of the Rate and Method of Apportionment ("RMA"), Community Facilities District No. 2021-2 of the City of Riverside ("District") hereby approves a reduction in the Assigned Special Tax for Developed Property, Approved Property, Undeveloped Property, and Provisional Undeveloped Property within the District.
 - a. The information in the Table(s) relating to the Fiscal Year 2021-22 Assigned Special Tax A for Developed Property within the District shall be modified as follows:

**TABLE 1
ASSIGNED SPECIAL TAX A
FOR DEVELOPED PROPERTY WITHIN ZONE 1**

Land Use Type	Building Square Footage	Assigned Special Tax A
Residential Property	Less than 1,851	\$ __, __. __ per Dwelling Unit
Residential Property	1,851 – 2,050	\$ __, __. __ per Dwelling Unit
Residential Property	2,051 – 2,250	\$ __, __. __ per Dwelling Unit
Residential Property	Greater than 2,250	\$ __, __. __ per Dwelling Unit
Non-Residential Property	N/A	\$ __, __. __ per Acre

**TABLE 2
ASSIGNED SPECIAL TAX A
FOR DEVELOPED PROPERTY WITHIN ZONE 2**

Land Use Type	Building Square Footage	Assigned Special Tax A
Residential Property	Less than 1,750	\$ __, __. __ per Dwelling Unit
Residential Property	1,750 – 1,900	\$ __, __. __ per Dwelling Unit
Residential Property	Greater than 1,900	\$ __, __. __ per Dwelling Unit
Non-Residential Property	N/A	\$ __, __. __ per Acre

- b. The Fiscal Year 2021-22 Assigned Special Tax A for each Assessor's Parcel of Approved Property, Undeveloped Property, and Provisional Undeveloped Property, as adjusted annually, pursuant to Section D.2 of the RMA shall be determined pursuant to Table 3 below based upon the Zone in which the Assessor's Parcel is located. The Backup Special Tax A for Developed Property shall be recalculated pursuant to Section E of the RMA based on the foregoing adjusted Assigned Special Tax per Acre for Undeveloped Property.

TABLE 3
ASSIGNED SPECIAL TAX A
FOR APPROVED PROPERTY, UNDEVELOPED PROPERTY,
AND PROVISIONAL UNDEVELOPED PROPERTY

Zone	Assigned Special Tax A
Zone 1	\$ __, __. __ per Acre
Zone 2	\$ __, __. __ per Acre

Date: _____ 20__

By: _____
 Administrator

APPENDIX B
Boundary Map



82 11

copy

SHEET 1 OF 2

PROPOSED BOUNDARY MAP
COMMUNITY FACILITIES DISTRICT NO. 2021-2
(RIVERPOINTE/PARK PLACE)
CITY OF RIVERSIDE,
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

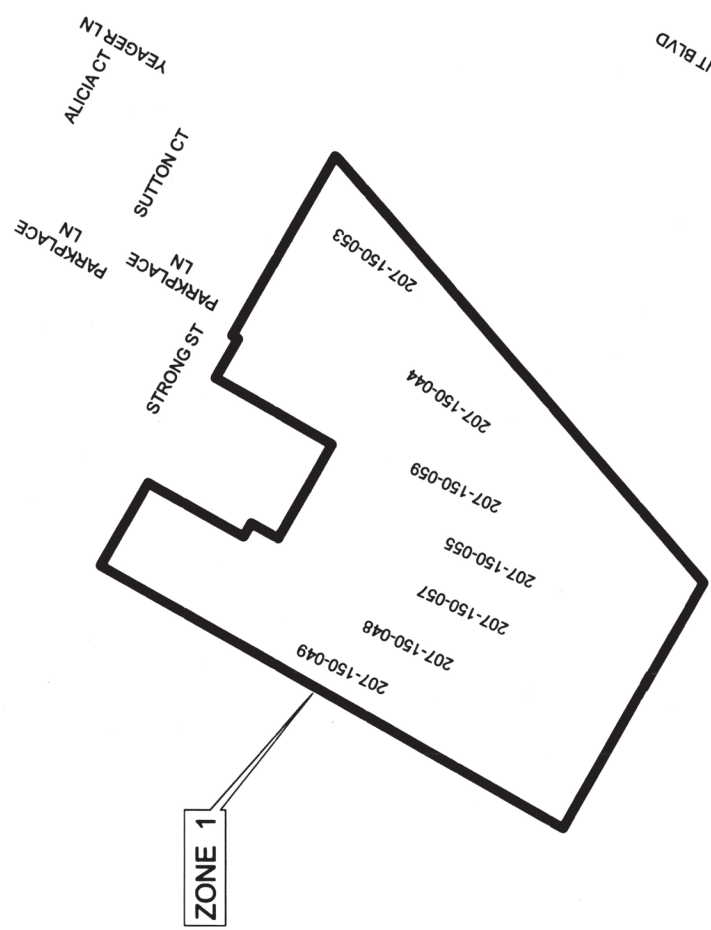
I HEREBY CERTIFY THAT THE WITHIN MAP SHOWING PROPOSED BOUNDARIES OF COMMUNITY FACILITIES DISTRICT NO. 2021-2 (RIVERPOINTE/PARK PLACE), CITY OF RIVERSIDE, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF RIVERSIDE, COUNTY OF RIVERSIDE AT A REGULAR MEETING THEREOF HELD ON THE 3 DAY OF AUGUST 2021, BY RESOLUTION NO. 23747

CITY CLERK
CITY OF RIVERSIDE

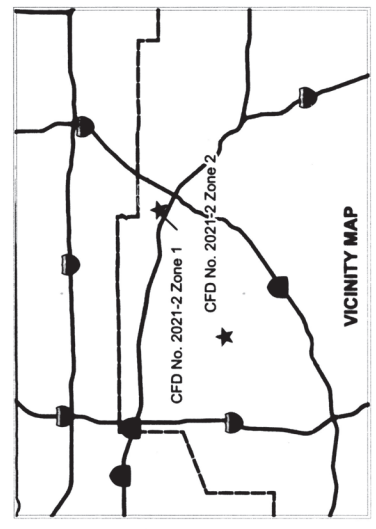
FILED IN THE OFFICE OF THE CITY CLERK, CITY OF RIVERSIDE, THIS 11 DAY OF AUGUST, 2021.

CITY CLERK
CITY OF RIVERSIDE

RECORDED THIS 11th DAY OF August, 2021
AT THE HOUR OF 10:32 O'CLOCK A.M. IN BOOK 82
PAGE 11 (OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS IN THE OFFICE OF THE COUNTY RECORDER, IN THE COUNTY OF RIVERSIDE, STATE OF CALIFORNIA.)
FEE: \$ 11.00 NO: 2021-0419482
PETER ALDANA, ASSESSOR, COUNTY CLERK, RECORDER
BY: Theresa Stearns J. O'Brien
DEPUTY

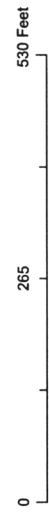
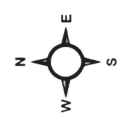


ZONE 1



LATHAM ST
KEATS DR

LEGEND
PROPOSED CFD BOUNDARY
PARCEL LINES
ASSESSOR PARCEL NUMBER
XXX-XXX-XXX



THIS BOUNDARY MAP CORRECTLY SHOWS THE BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT. FOR DETAILS CONCERNING THE LINES AND DIMENSIONS OF LOTS OR PARCELS REFER TO THE COUNTY ASSESSOR'S MAPS FOR FISCAL YEAR 2021-22.



82 AS

COPY

PROPOSED BOUNDARY MAP
COMMUNITY FACILITIES DISTRICT NO. 2021-2
(RIVERPOINTE/PARK PLACE)
CITY OF RIVERSIDE,
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

RANCHO LA
SIERRA AVE

DUNN CT

COBB ST

JURUPA AVE

ZONE 2

155-441-023

TYLER ST

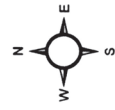
IDYLLWILD LN

LEGEND

PROPOSED CFD BOUNDARY

PARCEL LINES

XXX-XXX-XXX ASSESSOR PARCEL NUMBER



THIS BOUNDARY MAP CORRECTLY SHOWS THE BOUNDARIES OF THE COMMUNITY FACILITIES DISTRICT. FOR DETAILS CONCERNING THE LINES AND DIMENSIONS OF LOTS OR PARCELS REFER TO THE COUNTY ASSESSOR'S MAPS FOR FISCAL YEAR 2021-22.





3788 McCray St.
Riverside, CA 92506
951.200.8600



www.webbmfinance.com