

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO OF CONSIDERATION TO CHANGE THE RATE AND METHOD OF APPORTIONING THE SPECIAL TAX, AND ESTABLISHING A NEW MAXIMUM SPECIAL TAX FOR FINAL TRACT MAP NO. 6073, ANNEXATION NO. 54 OF THE CITY OF FRESNO COMMUNITY FACILITIES DISTRICT NO. 11

WHEREAS, the City of Fresno ("City") is a charter city and municipal corporation duly created and existing under the Constitution and laws of the State of California; and

WHEREAS, under the City of Fresno Special Tax Financing Law, Chapter 8, Division 1, Article 3, of the Fresno Municipal Code ("City Law"), the Council of the City of Fresno ("Council") is the legislative body for the community facilities district with the authority to establish a community facilities district, annex property to the community facilities district, change the rate and method of apportioning the Special Tax, and establish a new Maximum Special Tax within the community facilities district; and

WHEREAS, on November 15, 2005, the Council adopted Council Resolution 2005-490 establishing the City of Fresno Community Facilities District No. 11 ("CFD No. 11"); and

WHEREAS, on August 21, 2014, the Council adopted Council Resolution No. 2014-134 annexing Final Tract Map No. 6073 as Annexation No. 54 to CFD No. 11, and authorizing the levy of a Special Tax; and

WHEREAS, Council Resolution No. 2014-134 established specific public services to be provided pursuant to the provisions of City Law for Final Tract No. 6073,

Date Adopted:

Date Approved:

Effective Date:

City Attorney Approval: 

Resolution No.

Annexation No. 54, as shown on Page A-1 of Exhibit A (Existing), attached and incorporated herein by reference, and those services remain unchanged; and

WHEREAS, Council Resolution No. 2014-134 established a rate and method for determining the Maximum Special Tax, and annual increases thereto, and established the initial Maximum Special Tax for certain public Services to be provided for Annexation No. 54, pursuant to Exhibit B (Existing), attached and incorporated herein by reference; and

WHEREAS, the boundaries of Final Tract Map No. 6073, Annexation No. 54 of CFD No. 11, were recorded July 21, 2014, at Book 44, Page 11 of Assessment and Community Facilities Districts in the Office of the Recorder, County of Fresno, California, as shown on Exhibit C, attached and incorporated herein by reference, and that boundary remains unchanged; and

WHEREAS, the change to the rate and method of apportionment and the levy of a new Maximum Special Tax are due to the request by the landowner to have the City revise the quantities of certain facilities previously approved Annexation No. 54. This revision results in a change to the rate and method of apportionment of the Special Tax and establishes a new Maximum Special Tax to be levied, as shown on Exhibit D, attached and incorporated herein by reference; and

WHEREAS, the owner of 25 percent or more of the land within Annexation No. 54 not exempt from the Special Tax, has requested the Council commence with proceedings to change the rate and method of apportioning the Special Tax and the levy of a new Maximum Special Tax, pursuant Section 53332 of the California Government Code; and

WHEREAS, the Council may make a determination that the public convenience and necessity require that the rate and method of apportionment of the Special Tax be changed, and that a new Maximum Special Tax should be proposed, pursuant Section 53331 of the California Government Code; and

WHEREAS, the proposed changes to the rate and method of apportioning the Special Tax, and annual increases thereto, and establishing the new Maximum Special Tax for Final Tract Map No. 6073, Annexation No. 54 in CFD No. 11, are listed in Exhibit D, attached and incorporated herein by reference; and

WHEREAS, CFD No. 11 and Annexation No. 54 will share costs proportionately for the public Services provided by the City; and

WHEREAS, Final Tract Map No. 6073, Annexation No. 54, is located entirely within the limits of the City of Fresno; and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Fresno as follows:

1. **Recitals.** The forgoing recitals are true and correct.
2. **Change of Special Taxes.** The proposed change to the rate and method of apportioning the Special Tax applicable to Final Tract Map No. 6073, Annexation No. 54, within CFD No. 11 is listed in Exhibit D, attached and incorporated herein by this reference.
3. **Amended District Report. Amended District Report.** The Director of Public Works Department, as the officer having charge and control of the Services in and for CFD No. 11, or his designee, is directed to study the proposed changes to Annexation No. 54 and to make, or cause to be made, and filed with the City Clerk a

report superseding the previous report filed on July 18, 2014 for Annexation No. 54 of CFD No. 11 (“Amended District Report”), in writing presenting the following:

a. An estimate of the fair and reasonable cost of the revised quantities of facilities needing Services, including the cost of acquiring land, rights-of-way and easements, costs of any physical services required in conjunction therewith, and incidental expenses in connection therewith.

b. Describe any plan for the revised Services that will be provided in common with the existing district and/or any territory that may be annexed.

c. If the Special Tax levied within the territory proposed to be annexed is higher or lower than the existing CFD No. 11, identify the extent and reasons why the costs to provide the revised Services in that territory are higher or lower than those provided in the existing CFD No. 11. Specify any alteration in the special tax rate levied within the existing CFD No. 11 because of the proposed annexation.

d. The CFD No. 11, Annexation No. 54 Amended District Report shall be made a part of the record of the public hearing specified below.

4. **Single Ballot.** The propositions to set the appropriations limit and to approve the levy of the new Maximum Special Tax shall be combined into a single ballot and submitted to the voters pursuant to City Law.

5. **Public Hearing.** Thursday, December 7, 2017, at 10:00 a.m. #2, is fixed as the date and time, in the City Council Chambers, 2600 Fresno Street, Fresno, California, this Council, that this legislative body for CFD No. 11, will conduct a public hearing on the amended Annexation No. 54 and will consider and finally determine

whether the public interest, convenience and necessity require the amended annexation and the levy of the revised Special Tax.

6. **Public Notice.** The City Clerk is directed to cause notice of the public hearing to be given by publication once in a newspaper of general circulation published in the area of CFD No. 11. The publication shall be complete at least seven days before the hearing date set herein. The notice shall be in the form specified by Sections 53339.4 and 53335 of Chapter 2.5 of the California Government Code.

Attachments:

- Exhibit A: Existing Description of Services
- Exhibit B: Existing Rate and Method of Apportionment of Special Tax
- Exhibit C: Recorded Annexation Map No. 54
- Exhibit D: Revised Rate and Method of Apportionment of Special Tax

* * * * *

STATE OF CALIFORNIA)
COUNTY OF FRESNO) ss.
CITY OF FRESNO)

I, YVONNE SPENCE, City Clerk of the City of Fresno, certify that the foregoing resolution was adopted by the Council of the City of Fresno, at a regular meeting held on the _____ day of _____, 2017.

AYES:
NOES:
ABSENT:
ABSTAIN:

YVONNE SPENCE, CMC
City Clerk

BY: _____
Deputy

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE

BY: _____
Raj Singh Badhesha / Deputy City Attorney

**EXHIBIT A
(EXISTING)
CITY OF FRESNO**



**Community Facilities District No. 11
Annexation No. 54**

**Description of Services to be Financed by Community Facilities District No. 11
for Annexation No. 54 (Final Tract Map No. 6073)**

The operations and reserves for maintenance ("Services") that are to be financed by Community Facilities District No. 11 ("CFD No. 11") for Final Tract Map No. 6073, Annexation No. 54 are generally as described below.

The Services will include all costs (including reserves for replacement) attributable to maintaining, servicing, cleaning, repairing and/or replacing landscaped areas and trees in public street rights-of-way, public landscape easements, public open spaces and other similar landscaped areas officially dedicated for public use.

General maintenance will include, without limitation, mowing, edging, fertilizing, aerating and watering grass areas, repairing and replacing irrigation systems as necessary; staking, pruning, replacing and spraying of trees and shrubs; removing litter, debris, and garbage.

Services shall include all costs attributable to cleaning, maintaining, servicing, repairing and/or replacing all ground level infrastructure (including reserves for replacement) within public street rights-of-way and landscaping easements. Such facilities include, without limitation, concrete curbs and gutters, valley gutters, curb ramps, sidewalks, entrance median curbing, and traffic calming curbs and stamped concrete; block wall in Outlot A, street lighting, and interior street name signage and local street paving associated with this subdivision.

Services shall include all costs attributable to street lighting services.

Maintenance costs will include a proportionate share of all other expenses that the City of Fresno ("City") may incur in administering CFD No. 11.

All Services shall be provided by the City, with its own forces or by contract with third parties, or any combination thereof, to be determined entirely by the City.

Nothing in this exhibit or any other exhibit or provision of this Resolution shall be construed as committing the City or CFD No. 11 to provide all of the authorized Services or to provide for the payment of or reimbursement for all of the authorized incidental expenses. The provision of Services and/or payment or reimbursement of incidental expenses shall be subject to the successful annexation of Annexation 54 to CFD No. 11 and the availability of sufficient proceeds of Special Taxes within CFD No. 11.

EXHIBIT A

CITY OF FRESNO



Community Facilities District No. 11 Formation

Description of Services currently financed by Community Facilities District No. 11

The services that are to be financed ("Services") by Community Facilities District No. 11 ("CFD No. 11") are any and all Services defined by City of Fresno Special Tax Financing Law (Chapter 8, Division 1, Article 3 of the Fresno Municipal Code) and the Mello-Roos Community Facilities Act of 1982 (Chapter 2.5 commencing with Section 53311, of Part 1, Division 2, Title 5 of the California Government Code.)

- I. Services may include all costs attributable to maintaining, servicing, cleaning, repairing and/or replacing all facilities, including hardscaping, in landscaped areas (may include reserves for replacement) in public street rights-of-way, public landscape easements, public trail areas, parkways, and other similar landscaped areas officially dedicated for public use.
- II. General maintenance will include, without limitation, mowing, edging, fertilizing, seeding, aerating, and watering grass areas; repairing and replacing irrigation systems as necessary; staking, pruning, replacing and spraying of trees and shrubs; repairing and replacing paths, walkways and trails; removing litter, debris, and garbage.
- II. Services may include all costs attributable to cleaning, maintaining, servicing, repairing and/or replacing all local ground level street infrastructure (may include reserves for replacement) within local street rights-of-way. Such facilities may include, without limitation, street paving, curbs and gutters, sidewalks, street lighting, hydrants, inlets, street trees and street furniture.
- III. Services may include costs attributable to police, fire, traffic control, street lighting and recreational services.

Maintenance costs will also include a proportionate share of all other expenses that the City of Fresno ("City") may incur in administering the CFD No. 11.

All Services shall be provided by the City, with its own forces or by contract with third parties, or any combination thereof, to be determined entirely by the City.

Nothing in this exhibit or any other exhibit or provision of this resolution shall be construed as committing the City or CFD No. 11 to provide all of the authorized Services or to provide for the payment of or reimbursement for all of the authorized incidental expenses. The provision of Services and/or payment or reimbursement of incidental expenses shall be subject to the continued existence of CFD No. 11 and the availability of sufficient proceeds of special taxes within the CFD No. 11.

**EXHIBIT B
(EXISTING)**



CITY OF FRESNO

**Community Facilities District No. 11
Annexation No. 54**

Rate and Method of Apportionment of Special Tax

Cost Estimate

The estimate breaks down the costs of providing 1 year's service for FY 2014-2015

ITEM	DESCRIPTION	ESTIMATED COST
1	Landscape Operational Costs	\$39,319.00
2	Other Operational Costs	\$1,755.00
3	Reserve for Replacement	\$24,603.00
4	Incidental Expenses	\$1,680.00
	Total	\$67,357.00

Subdivision Appropriation Limit

FINAL TRACT MAP NO.	MAX. SPECIAL TAX PER RESIDENTIAL UNIT	TOTAL TAXABLE UNITS	APPROPRIATION LIMIT	SUBDIVIDER
6073	\$601.41	112	\$500,000.00	Silkscape Inc.

EXHIBIT B



City of Fresno

Community Facilities District No. 11 Annexation No. 54

Rate and Method of Apportionment of Special Tax

A Special Tax applicable to each assessor's parcel in Community Facilities District No. 11 ("CFD No. 11") shall be levied and collected according to the tax liability determined by the City Council of the City of Fresno, through the application of the appropriate amount or rate for taxable property, as described below. All of the property in CFD No. 11, unless exempted by law or by the provisions of Section E below, shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to CFD No. 11 unless a separate Rate and Method of Apportionment of Special Tax is adopted for the annexation area.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

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

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

"City" means the City of Fresno.

"City Law" means the City of Fresno Special Tax Financing Law, Chapter 8, Division 1, Article 3, of the Fresno Municipal Code.

"Council" means the City Council of the City of Fresno, acting as the legislative body of CFD No. 11.

"Developable Lot" means a lot that is anticipated development of residential or non-residential uses, and which is not an outlot, remainder parcel or other parcel which is not intended to be developed or which must be further subdivided before being developed.

"Excluded Parcels" means those assessor's parcels identified as ineligible for inclusion in CFD No. 11 as shown in "Attachment 1" of this Rate and Method of Apportionment of Special Tax.

"Final Map" means a final map, or portion thereof, approved by the Council of the City of Fresno pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) that creates individual developable lots for which building permits may be

EXHIBIT B



issued. The term "Final Map" shall not include any assessor's parcel map or subdivision map or portion thereof that does not create individual developable lots for which a building permit may be issued, including assessor's parcels that are designated as remainder parcels.

"Fiscal Year" means the period starting April 1 and ending on the following March 31.

"Maximum Special Tax" means the maximum special tax, determined in accordance with Section C, which can be levied in any Fiscal Year.

"Proportionately" means, in any fiscal year, that the ratio of the actual Special Tax to the Maximum Special Tax is equal for all assessor's parcels in CFD No. 11.

"Public Property" means any property within the boundaries of CFD No. 11 that is owned by the federal government, the State of California or other local governments or public agencies.

"Reserve for Replacement" means a reasonable reserve pursuant to Fresno Municipal Code 8-1-303(e) (4), as a service cost or expense and not as payment for public facilities under Government Code Section 53321(d).

"Residential Unit" means a residential dwelling unit and shall include single-family unattached homes, condominiums, town homes, duplex, triplex and fourplex units, and individual apartment units in a multi-family building. For purposes of the levy of special taxes pursuant to Section C below, "Residential Units" shall include dwelling units already built on taxable property in CFD No. 11, as well as dwelling units planned, but not yet built, when the special tax is levied each fiscal year.

"Shared Services" means the costs of services are paid equally by the property owners of two or more subdivisions.

"Special Tax" means any special tax to be levied each fiscal year on assessor's parcels of taxable property to fund the Special Tax Requirement as defined below.

"Special Tax Requirement" means the amount necessary in any fiscal year to (i) pay authorized maintenance and improvement expenses, (ii) pay administrative expenses of CFD No. 11, and (iii) cure any delinquencies in the payment of special taxes levied in prior fiscal years 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.

"Subdivision" means the division, by any subdivider, of any unit or units of improved or unimproved land, or any portion thereof, shown on the latest equalized county assessment roll as a unit or as contiguous units, for the purpose of sale, lease, or financing whether immediate or future. Property shall be considered as contiguous units, even if it is separated by roads, streets, utility easement or railroad rights-of-way.

EXHIBIT B



"Subdivision" includes a condominium project, as defined in Section 1351 of the Civil Code, a community apartment project, as defined in Section 1351 of the Civil Code.

"Taxable Property" means all of the assessor's parcels within the boundaries of CFD No. 11 which are not exempt from the special tax pursuant to law or Section E below.

B. CALCULATION OF RESIDENTIAL UNITS

On April 1 of each fiscal year, the City of Fresno ("City") or its designee shall determine how many residential units are built, or allowed to be built, on assessor's parcels within CFD No. 11. For parcels of undeveloped property zoned for development of single-family units attached, the number of residential units shall be determined by referencing the condominium plan, apartment plan site plan or other development plan, or by assigning the maximum allowable units permitted based on the underlying zoning for the parcel. Once a single-family attached building or buildings have been built on an assessor's parcel, the City or its designee shall determine the actual number of residential units contained within the building or buildings, and the special tax levied against the parcel in the next fiscal year shall be calculated by dividing the Special Tax Requirement by the actual number of residential units not to exceed the Maximum Special Tax per residential unit identified for the final map in Section C, Table 1 below.

C. MAXIMUM SPECIAL TAX

The Maximum Special Tax (MST) applicable to each assessor's parcel in CFD No. 11 shall be specific to each final map within CFD No. 11. When additional property is annexed to CFD No. 11, the rate and method adopted for the annexed property shall reflect the MST for the final map or final maps then annexed. The Maximum Special Tax for Fiscal Year 2014-2015 for a residential unit within Final Tract Map No. 6073 is identified in Table 1 below:

Table 1 Maximum Special Tax (Fiscal Year 2014-2015)*	
<i>Final Tract Map Number**</i>	<i>Maximum Special Tax</i>
6073	\$601.41 per Residential Unit
<p>*Beginning in January of each year, the MST shall be adjusted upward annually by 3% plus the rise, if any, in the Construction Cost Index (CCI) for the San Francisco Region for the prior 12-month period (December through December) as published in the <u>Engineering News Record</u>, or published in a comparable index if the <u>Engineering News Record</u> is discontinued or otherwise not available. Each annual adjustment of the MST shall become effective on the subsequent July 1.</p> <p>** A Special Tax shall be levied on all parcels within an identified final map except excluded parcels as identified in Attachment 1.</p>	

EXHIBIT B



D. METHOD OF LEVY AND COLLECTION OF THE SPECIAL TAX

Commencing with Fiscal Year 2014-2015, the Special Tax shall be levied on all taxable parcels as follows:

- Step 1: Determine the Special Tax Requirement (as defined in Section A above) for the fiscal year in which the Special Tax will be collected;
- Step 2: Calculate the total special tax revenues that could be collected from taxable property within CFD No. 11 based on applying the Maximum Special Tax rates determined pursuant to Section C above to the number of residential units on each parcel of taxable property in CFD No. 11;

If the amount determined in Step 1 is greater than or equal to the amount calculated in Step 2, levy the Maximum Special Tax set forth in Table 1 above on all parcels of taxable property in CFD No. 11;

If the amount determined in Step 1 is less than the amount calculated in Step 2, levy the Special Tax proportionately against all parcels of taxable property up to 100% of the Maximum Special Tax for each subdivision as identified in Table 1, until the amount of the Special Tax levy equals the Special Tax Requirement for that fiscal year.

The Special Tax for CFD No. 11 shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that CFD No. 11 may (under the authority of Government Code 53340), in any particular case, bill the taxes directly to the property owner off of the County of Fresno tax roll, and the Special Taxes will be equally subject to penalties and foreclosure if delinquent.

E. EXEMPTIONS

Notwithstanding any other provision of this Rate and Method of Apportionment of Special Tax, no Special Tax shall be levied on parcels that have been conveyed to a public agency, except as otherwise provided in City Law. In addition, no Special Tax shall be levied on excluded parcels or parcels that are determined not to be developable lots.



EXHIBIT B

ATTACHMENT "1"

City of Fresno

Community Facilities District No. 11
Annexation 54

Excluded Parcels

**THERE ARE NO EXCLUDED PARCELS IN
FINAL TRACT MAP NO. 6073**

DOC. 2014-0079531

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF FRESNO THIS 30 DAY OF JUNE, 2014.

ATTEST:

WYONNE SPENCE, CMC
CITY CLERK OF THE CITY OF FRESNO



BY: *Cindy Breen* 7/21/14
DEPUTY

I HEREBY CERTIFY THAT THE ANNEXATION MAP NO. 54 OF THE COMMUNITY FACILITIES DISTRICT NO. 11, CITY OF FRESNO, COUNTY OF FRESNO, STATE OF CALIFORNIA WAS ADOPTED BY THE COUNCIL OF THE CITY OF FRESNO BY RESOLUTION NO. 2014-110 ON July 17, 2014.

ATTEST:

WYONNE SPENCE, CMC
CITY CLERK OF THE CITY OF FRESNO



BY: *Cindy Breen* 7/21/14
DEPUTY

EXHIBIT C

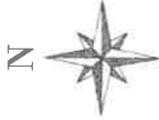
THIS ANNEXATION MAP NO. 54 OF THE CITY OF FRESNO COMMUNITY FACILITIES DISTRICT NO. 11, WAS FILED THIS 30th DAY OF JUNE 2014 AT THE HOUR OF 9:130 CLOCK AM AT BOOK 44, PAGE 44 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF FRESNO, STATE OF CALIFORNIA

PAUL DICTOS, C.P.A.
COUNTY RECORDER OF THE COUNTY OF FRESNO

BY: *Rayne Rodriguez*

REFERENCE: BOUNDARY MAP OF CITY OF FRESNO COMMUNITY FACILITIES DISTRICT NO. 11, RECORDED NOVEMBER 8, 2005 AT BOOK 41, PAGE 61 OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS IN THE OFFICE OF THE RECORDER IN THE COUNTY OF FRESNO, STATE OF CALIFORNIA

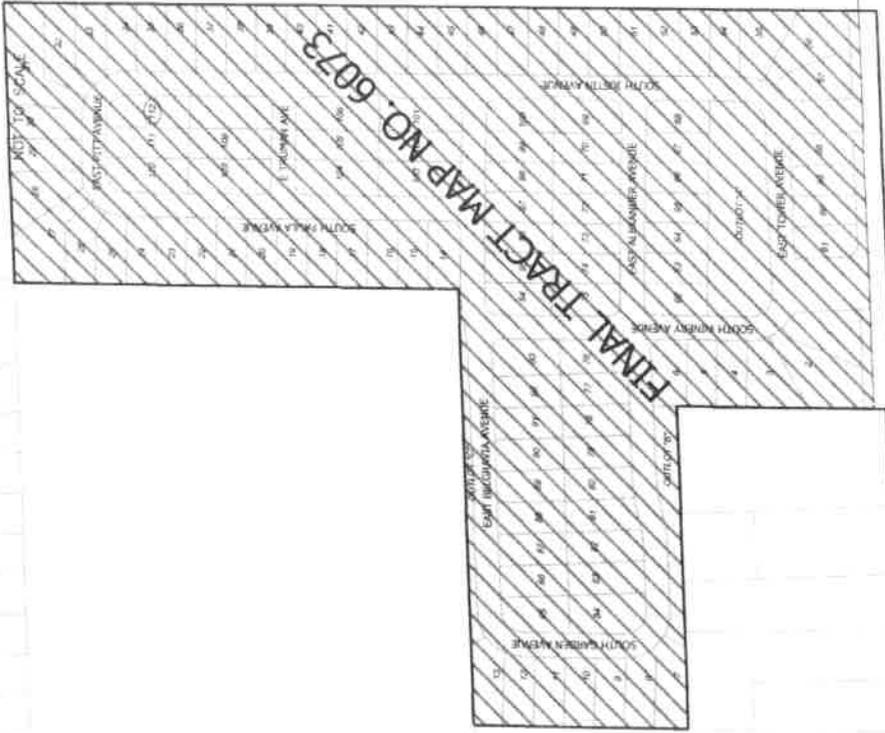
NOTE: FOR PARCEL DIMENSIONS, SEE ASSESSOR'S MAP BOOK PAGES



TERRITORY TO BE ANNEXED TO THE CITY CFD NO. 11



BOUNDARY LINE OF NEW TERRITORY



CITY OF FRESNO - Public Works Department	
ANNEXATION MAP NO. 54 OF COMMUNITY FACILITIES DISTRICT NO. 11 OF THE CITY OF FRESNO, FRESNO COUNTY, CALIFORNIA	CONST. ORDER _____ OFFICE BOOK _____
CITY CLERK _____	CITY ENGINEER _____
DR BY: _____ ALLIANCE _____	SHEET NO. 1
CH BY: _____	OF 3 SHEETS
DWTS: _____	DATE: _____
SCALE: _____	DATE: _____

EXHIBIT D

CITY OF FRESNO

**Community Facilities District No. 11
Annexation No. 54**

REVISED

Rate and Method of Apportionment of Special Tax

Cost Estimate

The estimate breaks down the costs of providing 1 year's service for FY 2017-2018

ITEM	DESCRIPTION	ESTIMATED COST
1	Landscape Operational Costs	\$36,936.00
2	Other Operational Costs	\$804.00
3	Reserve for Replacement	\$25,905.00
4	Incidental Expenses	\$1,680.00
	Total	\$65,325.00

Subdivision Appropriation Limit

Final Tract Map No.	Max. Special Tax per Residential Unit	Total Taxable Units	Appropriation Limit	Subdivider
6073	\$583.26	112	\$500,000.00	DR Horton

EXHIBIT D

City of Fresno

Community Facilities District No. 11 Annexation No. 54

Rate and Method of Apportionment of Special Tax

A Special Tax applicable to each assessor's parcel in Community Facilities District No. 11 ("CFD No. 11") shall be levied and collected according to the tax liability determined by the City Council of the City of Fresno, through the application of the appropriate amount or rate for taxable property, as described below. All of the property in CFD No. 11, unless exempted by law or by the provisions of Section E below, shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to CFD No. 11 unless a separate Rate and Method of Apportionment of Special Tax is adopted for the annexation area.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

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

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

"City" means the City of Fresno.

"City Law" means the City of Fresno Special Tax Financing Law, Chapter 8, Division 1, Article 3, of the Fresno Municipal Code.

"Council" means the City Council of the City of Fresno, acting as the legislative body of CFD No. 11.

"Developable Lot" means a lot that is anticipated development of residential or non-residential uses, and which is not an outlot, remainder parcel or other parcel which is not intended to be developed or which must be further subdivided before being developed.

"Excluded Parcels" means those assessor's parcels identified as ineligible for inclusion in CFD No. 11 as shown in "Attachment 1" of this Rate and Method of Apportionment of Special Tax.

"Final Map" means a final map, or portion thereof, approved by the Council of the City of Fresno pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) that creates individual developable lots for which building permits may be issued. The term "Final Map" shall not include any assessor's parcel map or subdivision map or portion thereof that does not create individual developable lots for which a building permit may be issued, including assessor's parcels that are designated as remainder parcels.

"Fiscal Year" means the period starting April 1 and ending on the following March 31.

EXHIBIT D

“Maximum Special Tax” means the maximum special tax, determined in accordance with Section C, which can be levied in any Fiscal Year.

“Proportionately” means, in any fiscal year, that the ratio of the actual Special Tax to the Maximum Special Tax is equal for all assessor’s parcels in CFD No. 11.

“Public Property” means any property within the boundaries of CFD No. 11 that is owned by the federal government, the State of California or other local governments or public agencies.

“Reserve for Replacement” means a reasonable reserve pursuant to Fresno Municipal Code 8-1-303(e) (4), as a service cost or expense and not as payment for public facilities under Government Code Section 53321(d).

“Residential Unit” means a residential dwelling unit and shall include single-family unattached homes, condominiums, town homes, duplex, triplex and fourplex units, and individual apartment units in a multi-family building. For purposes of the levy of special taxes pursuant to Section C below, “Residential Units” shall include dwelling units already built on taxable property in CFD No. 11, as well as dwelling units planned, but not yet built, when the special tax is levied each fiscal year.

“Shared Services” means the costs of services are paid equally by the property owners of two or more subdivisions.

“Special Tax” means any special tax to be levied each fiscal year on assessor’s parcels of taxable property to fund the Special Tax Requirement as defined below.

“Special Tax Requirement” means the amount necessary in any fiscal year to (i) pay authorized maintenance and improvement expenses, (ii) pay administrative expenses of CFD No. 11, and (iii) cure any delinquencies in the payment of special taxes levied in prior fiscal years 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.

“Subdivision” means the division, by any subdivider, of any unit or units of improved or unimproved land, or any portion thereof, shown on the latest equalized county assessment roll as a unit or as contiguous units, for the purpose of sale, lease, or financing whether immediate or future. Property shall be considered as contiguous units, even if it is separated by roads, streets, utility easement or railroad rights-of-way. “Subdivision” includes a condominium project, as defined in Section 1351 of the Civil Code, a community apartment project, as defined in Section 1351 of the Civil Code.

“Taxable Property” means all of the assessor’s parcels within the boundaries of CFD No. 11 which are not exempt from the special tax pursuant to law or Section E below.

B. CALCULATION OF RESIDENTIAL UNITS

On April 1 of each fiscal year, the City of Fresno (“City”) or its designee shall determine how many residential units are built, or allowed to be built, on assessor’s parcels within CFD No. 11. For parcels of undeveloped property zoned for development of single-family units attached, the number of residential units shall be determined by referencing the condominium plan, apartment plan site plan or other development plan, or by assigning the maximum allowable units permitted based on the underlying zoning for the parcel. Once a single-family attached building or buildings

EXHIBIT D

have been built on an assessor's parcel, the City or its designee shall determine the actual number of residential units contained within the building or buildings, and the special tax levied against the parcel in the next fiscal year shall be calculated by dividing the Special Tax Requirement by the actual number of residential units not to exceed the Maximum Special Tax per residential unit identified for the final map in Section C, Table 1 below.

C. MAXIMUM SPECIAL TAX

The Maximum Special Tax (MST) applicable to each assessor's parcel in CFD No. 11 shall be specific to each final map within CFD No. 11. When additional property is annexed to CFD No. 11, the rate and method adopted for the annexed property shall reflect the MST for the final map or final maps then annexed. The Maximum Special Tax for Fiscal Year 2017-2018 for a residential unit within Final Tract Map No. 6073 is identified in Table 1 below:

Table 1	
Maximum Special Tax	
(Fiscal Year 2017-2018)*	
<i>Final Tract Map Number**</i>	<i>Maximum Special Tax</i>
6073	\$583.26 per Residential Unit

*Beginning in January of each year, the MST shall be adjusted upward annually by 3% plus the rise, if any, in the Construction Cost Index (CCI) for the San Francisco Region for the prior 12-month period (December through December) as published in the Engineering News Record, or published in a comparable index if the Engineering News Record is discontinued or otherwise not available. Each annual adjustment of the MST shall become effective on the subsequent July 1.

** A Special Tax shall be levied on all parcels within an identified final map except excluded parcels as identified in Attachment 1.

D. METHOD OF LEVY AND COLLECTION OF THE SPECIAL TAX

Commencing with Fiscal Year 2017-2018, the Special Tax shall be levied on all taxable parcels as follows:

- Step 1: Determine the Special Tax Requirement (as defined in Section A above) for the fiscal year in which the Special Tax will be collected;
- Step 2: Calculate the total special tax revenues that could be collected from taxable property within CFD No. 11 based on applying the Maximum Special Tax rates determined pursuant to Section C above to the number of residential units on each parcel of taxable property in CFD No. 11;

If the amount determined in Step 1 is greater than or equal to the amount calculated in Step 2, levy the Maximum Special Tax set forth in Table 1 above on all parcels of taxable property in CFD No. 11;

EXHIBIT D

If the amount determined in Step 1 is less than the amount calculated in Step 2, levy the Special Tax proportionately against all parcels of taxable property up to 100% of the Maximum Special Tax for each subdivision as identified in Table 1, until the amount of the Special Tax levy equals the Special Tax Requirement for that fiscal year.

The Special Tax for CFD No. 11 shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that CFD No. 11 may (under the authority of Government Code 53340), in any particular case, bill the taxes directly to the property owner off of the County of Fresno tax roll, and the Special Taxes will be equally subject to penalties and foreclosure if delinquent.

E. EXEMPTIONS

Notwithstanding any other provision of this Rate and Method of Apportionment of Special Tax, no Special Tax shall be levied on parcels that have been conveyed to a public agency, except as otherwise provided in City Law. In addition, no Special Tax shall be levied on excluded parcels or parcels that are determined not to be developable lots.

EXHIBIT D

ATTACHMENT "1"

City of Fresno

Community Facilities District No. 11
Annexation 54 Excluded Parcels

**THERE ARE NO EXCLUDED PARCELS IN
FINAL TRACT MAP NO. 6073**