

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA, DECLARING ITS INTENTION TO ANNEX TERRITORY (TRACT MAP NO. 061248) TO A COMMUNITY FACILITIES DISTRICT AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES THEREIN, THE CITY OF LANCASTER COMMUNITY FACILITIES DISTRICT NO. 2021-1 (PUBLIC SERVICES) ANNEXATION NO. 1

WHEREAS, the City Council of the City of Lancaster (the “City”) has conducted proceedings to establish Community Facilities District No. 2021-1 (Public Services) (the “CFD”) pursuant to the Mello-Roos Community Facilities Act of 1982, as amended (the “Act”), Chapter 2.5 of Part 1 of Division 2 of Title 5, commencing at Section 53311, of the California Government Code; and

WHEREAS, under the Act, this Council, as the legislative body for the CFD, is empowered with the authority to annex territory to the CFD, and now desires to undertake proceedings to annex territory to the CFD.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LANCASTER, CALIFORNIA DOES HEREBY RESOLVE, DECLARE, DETERMINE AND ORDER AS FOLLOWS:

Section 1: This Council hereby finds and determines that public convenience and necessity require that territory be added to the CFD.

Section 2: The name of the existing CFD is “Community Facilities District No. 2021-1 (Public Services)”.

Section 3: The territory included in the existing CFD is as shown on the map thereof filed in Book 196 at Pages 44-45 as Document No. 20221204593 of the Book of Maps of Assessment and Community Facilities Districts in the Los Angeles County Recorder’s Office, to which map reference is hereby made.

The territory now proposed to be annexed to the CFD is as shown on the Annexation Map No. 1 to the CFD, on file with the City Clerk, a copy of which is attached hereto as Exhibit A and made a part hereof, the boundaries of which territory are hereby preliminarily approved. The City Clerk is hereby directed to cause the recordation of said Annexation Map No. 1 to the CFD, showing the territory to be annexed, in the Office of the County Recorder of the County of Los Angeles within fifteen days of the date of adoption of this resolution.

Section 4: The types of public services financed by the CFD and pursuant to the Act consist of those services (the “Services”) described in Exhibit A in Resolution No. 23-05 adopted by the Council on the 24th day of January 2023, (the “Resolution of Formation”), a copy which is attached hereto as Exhibit B. It is presently intended that the Services will be shared, without preference or priority, by the existing territory in the CFD and the territory proposed to be annexed

to the CFD. It has been determined that this project will intensify the use of the property, creating a need for more services under this CFD.

Section 5: Except to the extent that funds are otherwise available to the CFD to pay for the Services CFD, a Special Tax sufficient to pay the costs thereof is intended to be levied annually within the CFD and collected in the same manner as ordinary ad valorem property taxes. The proposed rate and method of apportionment of the special tax among the parcels of real property within the CFD, as now in existence and following the annexation proposed herein, and in sufficient detail to allow each landowner within the territory proposed to be annexed to the CFD to estimate the maximum amount such owner will have to pay, is described in Exhibit C, which is hereby incorporated by this reference.

Section 6: Notice is given that on February 27, 2024, at 5:00 p.m., in the regular meeting place of this Council, being the City Hall Council Chambers, located at 44933 Fern Avenue, Lancaster, California, the Council, as legislative body for the CFD, will conduct a public hearing on the annexation of territory to the CFD and consider and finally determine whether the public interest, convenience and necessity require said annexation of territory to the CFD and the levy of said special tax therein.

Section 7: The City Clerk is hereby directed to cause notice of said public hearing to be given by publication one time in a newspaper of general circulation in the area of the CFD. The publication of said notice shall be completed at least seven days before the date herein set for said hearing. Said notice shall be substantially in the form specified in Section 53339.4 of the Act. The City Clerk shall also cause a copy of the Resolution of Annexation, or a notice thereof, to be mailed to each landowner (and to each registered voter, if any) within the territory proposed to be annexed, which resolution or notice shall be mailed at least fifteen days before the date of said hearing.

Resolution No.

Page 3

PASSED, APPROVED, AND ADOPTED this _____ day of _____, 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

ATTEST:

APPROVED:

ANDREA ALEXANDER. E
City Clerk
City of Lancaster

R. REX PARRIS
Mayor
City of Lancaster

STATE OF CALIFORNIA }
COUNTY OF LOS ANGELES }ss.
CITY OF LANCASTER }

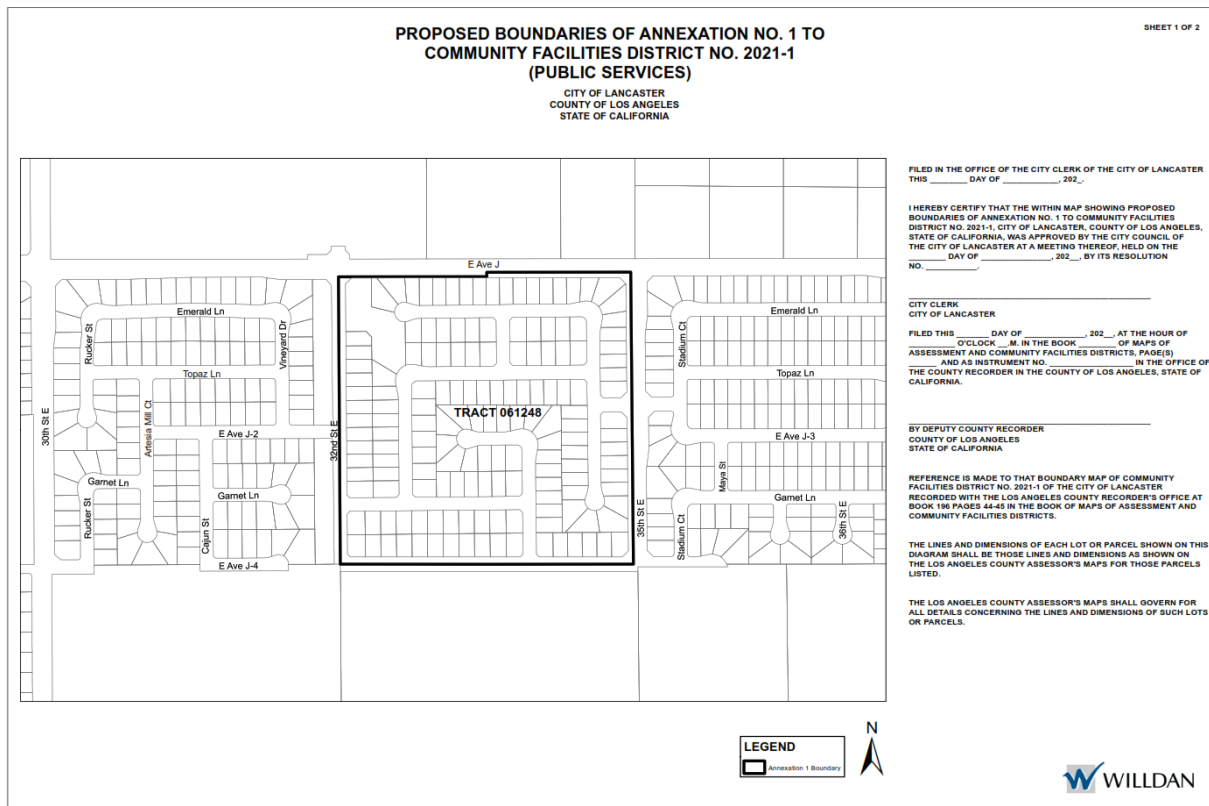
CERTIFICATION OF RESOLUTION
CITY COUNCIL

I, _____, _____ City Clerk of the City of Lancaster, California, do hereby certify that this is a true and correct copy of the original Resolution No. 24 - ___, for which the original is on file in my office.

WITNESS MY HAND AND THE SEAL OF THE CITY OF LANCASTER, on this _____ day of _____, 2024.

(seal)

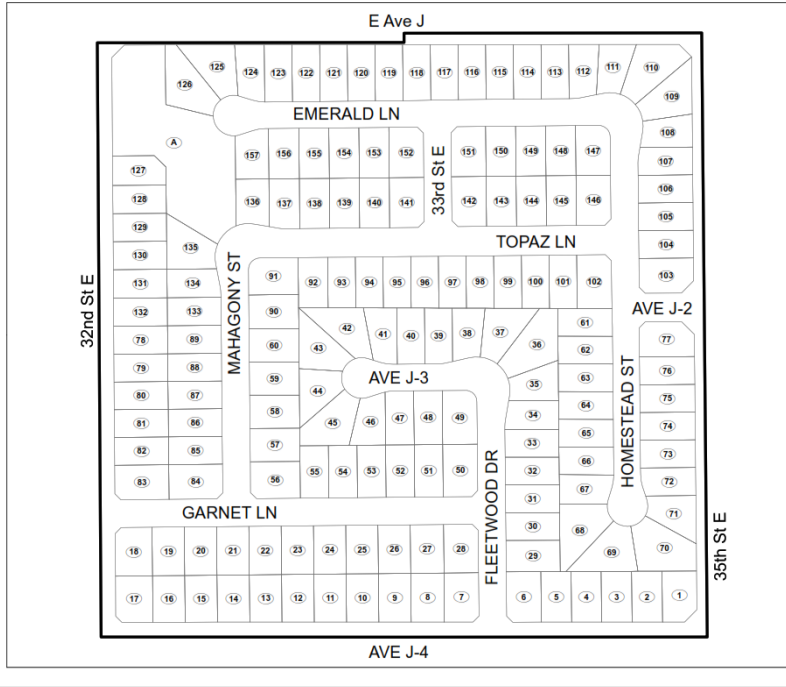
EXHIBIT A BOUNDARY MAP



PROPOSED BOUNDARIES OF ANNEXATION NO. 1 TO
COMMUNITY FACILITIES DISTRICT NO. 2021-1
(PUBLIC SERVICES)

CITY OF LANCASTER
COUNTY OF LOS ANGELES
STATE OF CALIFORNIA

SHEET 2 OF 2



APN	Map Reference	APN	Map Reference
5130-001-001	1	5130-001-080	80
5130-001-002	2	5130-001-081	81
5130-001-003	3	5130-001-082	82
5130-001-004	4	5130-001-083	83
5130-001-005	5	5130-001-084	84
5130-001-006	6	5130-001-085	85
5130-001-007	7	5130-001-086	86
5130-001-008	8	5130-001-087	87
5130-001-009	9	5130-001-088	88
5130-001-010	10	5130-001-089	89
5130-001-011	11	5130-001-090	90
5130-001-012	12	5130-001-091	91
5130-001-013	13	5130-001-092	92
5130-001-014	14	5130-001-093	93
5130-001-015	15	5130-001-094	94
5130-001-016	16	5130-001-095	95
5130-001-017	17	5130-001-096	96
5130-001-018	18	5130-001-097	97
5130-001-019	19	5130-001-098	98
5130-001-020	20	5130-001-099	99
5130-001-021	21	5130-001-100	100
5130-001-022	22	5130-001-101	101
5130-001-023	23	5130-001-102	102
5130-001-024	24	5130-001-103	103
5130-001-025	25	5130-001-104	104
5130-001-026	26	5130-001-105	105
5130-001-027	27	5130-001-106	106
5130-001-028	28	5130-001-107	107
5130-001-029	29	5130-001-108	108
5130-001-030	30	5130-001-109	109
5130-001-031	31	5130-001-110	110
5130-001-032	32	5130-001-111	111
5130-001-033	33	5130-001-112	112
5130-001-034	34	5130-001-113	113
5130-001-035	35	5130-001-114	114
5130-001-036	36	5130-001-115	115
5130-001-037	37	5130-001-116	116
5130-001-038	38	5130-001-117	117
5130-001-039	39	5130-001-118	118
5130-001-040	40	5130-001-119	119
5130-001-041	41	5130-001-120	120
5130-001-042	42	5130-001-076	121
5130-001-043	43	5130-001-077	122
5130-001-044	44	5130-001-078	123
5130-001-045	45	5130-001-079	124
5130-001-046	46	5130-001-080	125
5130-001-047	47	5130-001-081	126
5130-001-048	48	5130-001-082	127
5130-001-049	49	5130-001-083	128
5130-001-050	50	5130-001-084	129
5130-001-051	51	5130-001-085	130
5130-001-052	52	5130-001-086	131
5130-001-053	53	5130-001-087	132
5130-001-054	54	5130-001-088	133
5130-001-055	55	5130-001-089	134
5130-001-056	56	5130-001-090	135
5130-001-057	57	5130-001-091	136
5130-001-058	58	5130-001-092	137
5130-001-059	59	5130-001-093	138
5130-001-060	60	5130-001-094	139
5130-001-061	61	5130-001-095	140
5130-001-062	62	5130-001-096	141
5130-001-063	63	5130-001-097	142
5130-001-064	64	5130-001-098	143
5130-001-065	65	5130-001-099	144
5130-001-066	66	5130-001-100	145
5130-001-067	67	5130-001-087	146
5130-001-068	68	5130-001-088	147
5130-001-069	69	5130-001-089	148
5130-001-070	70	5130-001-090	149
5130-001-071	71	5130-001-091	150
5130-001-072	72	5130-001-092	151
5130-001-073	73	5130-001-093	152
5130-001-074	74	5130-001-094	153
5130-001-075	75	5130-001-095	154
5130-001-076	76	5130-001-096	155
5130-001-077	77	5130-001-097	156
5130-001-078	78	5130-001-098	157
5130-001-079	79	5130-001-099	158
5130-001-080	80	5130-001-100	159
5130-001-081	81	5130-001-101	160
5130-001-082	82	5130-001-102	161
5130-001-083	83	5130-001-103	162
5130-001-084	84	5130-001-104	163
5130-001-085	85	5130-001-105	164
5130-001-086	86	5130-001-106	165
5130-001-087	87	5130-001-107	166
5130-001-088	88	5130-001-108	167
5130-001-089	89	5130-001-109	168
5130-001-090	90	5130-001-110	169
5130-001-091	91	5130-001-111	170
5130-001-092	92	5130-001-112	171
5130-001-093	93	5130-001-113	172
5130-001-094	94	5130-001-114	173
5130-001-095	95	5130-001-115	174
5130-001-096	96	5130-001-116	175
5130-001-097	97	5130-001-117	176
5130-001-098	98	5130-001-118	177
5130-001-099	99	5130-001-119	178
5130-001-100	100	5130-001-120	179
5130-001-101	101	5130-001-121	180
5130-001-102	102	5130-001-122	181
5130-001-103	103	5130-001-123	182
5130-001-104	104	5130-001-124	183
5130-001-105	105	5130-001-125	184
5130-001-106	106	5130-001-126	185
5130-001-107	107	5130-001-127	186
5130-001-108	108	5130-001-128	187
5130-001-109	109	5130-001-129	188
5130-001-110	110	5130-001-130	189
5130-001-111	111	5130-001-131	190
5130-001-112	112	5130-001-132	191
5130-001-113	113	5130-001-133	192
5130-001-114	114	5130-001-134	193
5130-001-115	115	5130-001-135	194
5130-001-116	116	5130-001-136	195
5130-001-117	117	5130-001-137	196
5130-001-118	118	5130-001-138	197
5130-001-119	119	5130-001-139	198
5130-001-120	120	5130-001-140	199
5130-001-121	121	5130-001-141	200
5130-001-122	122	5130-001-142	201
5130-001-123	123	5130-001-143	202
5130-001-124	124	5130-001-144	203
5130-001-125	125	5130-001-145	204
5130-001-126	126	5130-001-146	205
5130-001-127	127	5130-001-147	206
5130-001-128	128	5130-001-148	207
5130-001-129	129	5130-001-149	208
5130-001-130	130	5130-001-150	209
5130-001-131	131	5130-001-151	210
5130-001-132	132	5130-001-152	211
5130-001-133	133	5130-001-153	212
5130-001-134	134	5130-001-154	213
5130-001-135	135	5130-001-155	214
5130-001-136	136	5130-001-156	215
5130-001-137	137	5130-001-157	216
5130-001-138	138	5130-001-158	217
5130-001-139	139	5130-001-159	218
5130-001-140	140	5130-001-160	219
5130-001-141	141	5130-001-161	220
5130-001-142	142	5130-001-162	221
5130-001-143	143	5130-001-163	222
5130-001-144	144	5130-001-164	223
5130-001-145	145	5130-001-165	224
5130-001-146	146	5130-001-166	225
5130-001-147	147	5130-001-167	226
5130-001-148	148	5130-001-168	227
5130-001-149	149	5130-001-169	228
5130-001-150	150	5130-001-170	229
5130-001-151	151	5130-001-171	230
5130-001-152	152	5130-001-172	231
5130-001-153	153	5130-001-173	232
5130-001-154	154	5130-001-174	233
5130-001-155	155	5130-001-175	234
5130-001-156	156	5130-001-176	235
5130-001-157	157	5130-001-177	236
5130-001-158	158	5130-001-178	237
5130-001-159	159	5130-001-179	238
5130-001-160	160	5130-001-180	239
5130-001-161	161	5130-001-181	240
5130-001-162	162	5130-001-182	241
5130-001-163	163	5130-001-183	242
5130-001-164	164	5130-001-184	243
5130-001-165	165	5130-001-185	244
5130-001-166	166	5130-001-186	245
5130-001-167	167	5130-001-187	246
5130-001-168	168	5130-001-188	247
5130-001-169	169	5130-001-189	248
5130-001-170	170	5130-001-190	249
5130-001-171	171	5130-001-191	250
5130-001-172	172	5130-001-192	251
5130-001-173	173	5130-001-193	252
5130-001-174	174	5130-001-194	253
5130-001-175	175	5130-001-195	254
5130-001-176	176	5130-001-196	255
5130-001-177	177	5130-001-197	256
5130-001-178	178	5130-001-198	257
5130-001-179	179	5130-001-199	258
5130-001-180	180	5130-001-200	259
5130-001-181	181	5130-001-201	260
5130-001-182	182	5130-001-202	261
5130-001-183	183	5130-001-203	262
5130-001-184	184	5130-001-204	263
5130-001-185	185	5130-001-205	264
5130-001-186	186	5130-001-206	265
5130-001-187	187	5130-001-207	266
5130-001-188	188	5130-001-208	267
5130-001-189	189	5130-001-209	268
5130-001-190	190	5130-001-210	269
5130-001-191	191	5130-001-211	270
5130-001-192	192	5130-001-212	271
5130-001-193	193	5130-001-213	272
5130-001-194	194	5130-001-214	273
5130-001-195	195	5130-001-215	274
5130-001-196	196	5130-001-216	275
5130-001-197	197	5130-001-217	276
5130-001-198	198	5130-001-218	277
5130-001-199	199	5130-001-219	278
5130-001-200	200	5130-001-220	279
5130-001-201	201	5130-001-221	280
5130-001-202	202	5130-001-222	281
5130-001-203	203	5130-001-223	282
5130-001-204	204	5130-001-224	283
5130-001-205	205	5130-001-225	284
5130-001-206	206	5130-001-226	285
5130-001-207	207	5130-001-227	286
5130-001-208	208	5130-001-228	287
5130-001-209	209	5130-001-229	288
5130-001-210	210	5130-001-230	289
5130-001-211	211	5130-001-231	290
5130-001-212	212	5130-001-232	291
5130-001-213	213	5130-001-233	292
5130-001-214	214	5130-001-234	293
5130-001-215	215	5130-001-235	294
5130-001-216	216	5130-001-236	295
5130-001-217	217	5130-001-237	296
5130-001-218	218	5130-001-238	297
5130-001-219	219	5130-001-239	298
5130-001-220	220	5130-001-240	299
5130-001-221	221	5130-001-241	300
5130-001-222	222	5130-001-242	301
5130-001-223	223	5130-001-243	302
5130-001-224	224	5130-001-244	303
5130-001-225	225	5130-001-245	304
5130-001-226	226	5130-001-246	305
5130-001-227	227	5130-001-247	306
5130-001-228	228	5130-001-248	307
5130-001-229	229	5130-001-249	308
5130-001-230	230	5130-001-250	309
5130-001-231	231	5130-001-251	310

EXHIBIT B

CITY OF LANCASTER COMMUNITY FACILITIES DISTRICT NO. 2021-1 (PUBLIC SERVICES)

DESCRIPTION OF SERVICES

The types of public services to be provided for and financed by CFD No. 2021-1 (Public Services) are including but not limited to:

- Fire protection and suppression services;
- Ambulance and paramedic services;
- Police protection services, including, but not limited to, criminal justice services;
- Maintenance and lighting of parks, parkways, streets, roads, and open space;
- Flood and storm protection services, including, but not limited to, the operation and maintenance of storm drainage systems; and/or
- Other improvements as authorized by the Act.

EXHIBIT C

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

For the City of Lancaster Community Facilities District No. 2021-1
(Public Services), County of Los Angeles, State of California

The Special Tax as hereinafter defined shall be levied on all Assessor's Parcels within the City of Lancaster Community Facilities District No. 2021-1 (Public Services), ("CFD 2021-1"), other than Assessor's Parcels classified as Exempt Property as defined herein, and collected each Fiscal Year commencing in Fiscal Year 2021-22, in an amount determined by the CFD Administrator through the application of the procedures described below. All of the real property within CFD 2021-1, unless exempted by law or by the provisions hereof, shall be taxed for the purposes, to the extent, and in the manner herein provided.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

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

"Administrative Expenses" means the following actual or reasonably estimated expenses related to the administration of CFD 2021-1: the costs of determining the amount of the levy of the Special Tax, the collection of Special Taxes, including the expenses of collecting delinquencies and pursuing foreclosures, the payment of a proportional share of salaries and benefits of any City employee and City overhead whose duties are directly related to the administration of CFD 2021-1, fees and expenses for counsel, audits, costs associated with responding to public inquiries regarding CFD 2021-1, and any and all other costs incurred in connection with the administration of CFD 2021-1.

"Annual Escalation Factor" means the annual percentage increase of the All Urban Consumers Consumer Price Index ("CPI") or two percent (2%), whichever is greater. The annual CPI used shall be for the area of Los Angeles-Long Beach-Anaheim, CA as determined by the Bureau of Labor Statistics for the twelve (12) months ending the preceding December 31, or such other replacement index as may be determined by the City.

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

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

"Base Year" means Fiscal Year beginning July 1, 2021 and ending June 30, 2022.

“Building Permit” means a permit issued for new construction of a residential dwelling or non-residential structure. For purposes of this definition, “Building Permit” shall not include permits for construction or installation of retaining walls, grading, utility improvements, or other such improvements not intended for human habitation.

“Building Square Footage” means all of the square footage within the perimeter of a residential structure, not including any carport, walkway, garage, overhang, patio, enclosed patio, or similar area. The determination of “Building Square Footage” for a non-residential structure will be based on the Building Permit(s) issued for such structure and/or by reference to appropriate records kept by the City.

“CFD Administrator” means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Tax for CFD 2021-1.

“CFD 2021-1” means City of Lancaster Community Facilities District No. 2021-1 (Public Services) established by the City Council under the Act.

“City” means the City of Lancaster.

“City Council” means the Council of the City of Lancaster, acting as the legislative body of CFD 2021-1.

“County” means the County of Los Angeles.

“Developed Property” means an Assessor’s Parcel of Taxable Property for which a Building Permit was issued on or before June 1 preceding the Fiscal Year for which the Special Tax is being levied.

“Exempt Property” means all Assessor’s Parcels within CFD 2021-1 that are exempt from the Special Tax pursuant to the Act or Section F herein.

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

“Inner Zone” means all property located within the area identified as Inner Zone in Attachment A.

“Land Use Type” means any of the land use types listed in Table 1 below.

“Maximum Special Tax” means the maximum Special Tax determined in accordance with Section C, which may be levied in any Fiscal Year on an Assessor’s Parcel of Taxable Property.

“Multi-Family Residential Property” means all Assessor’s Parcels of Residential Property for which a Building Permit has been issued for the purpose of constructing a building or buildings comprised of attached Residential Units available for rental by the general public, not for sale to an end user, and under common management.

“Municipal Services” means those authorized services that may be funded by CFD 2021-1 pursuant to the Act, as amended including but not limited to police protection services;

maintenance of streets and roadways; maintenance and operation of street lights; maintenance of parks, parkways and open space; and maintenance of public facilities.

“Non-Residential Property” means any Assessor’s Parcel classified as Developed Property, which is not classified as any, Residential Property, Public Property and Property Owner Association Property.

“Outer Zone” means all property located within the area identified as Outer Zone in Attachment A.

“Property Owner Association Property” means for each Fiscal Year any property within the boundaries of CFD 2021-1 that was owned by, or irrevocably dedicated as indicated in an instrument recorded with the County Recorder to a property owner association, including any master or sub-association, as of June 1.

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

“Public Property” means any property that is owned by, dedicated or irrevocably dedicated to a city, the federal government, the State of California, the County, or any other public agency (each, a “Public Entity”); provided, however, that any such property is leased by such a Public Entity to a private entity and is thereby subject to taxation pursuant to Section 53340.1 of the Act, such leasehold estate shall be classified and taxed according to the use thereof.

“Residential Property” means all Assessor’s Parcels of Developed Property within CFD 2021-1 for which a Building Permit has been issued for purposes of constructing one or more Residential Unit(s).

“Residential Unit” means any residence in which a person or persons may live, which is not considered to be used for non-residential purposes.

“Single Family Residential Property” means all Assessor’s Parcels of Residential Property not classified as Multi-Family Residential Property.

“Special Tax” means the special tax authorized to be levied within CFD 2021-1 pursuant to the Act, to fund the Special Tax Requirement.

“Special Tax Requirement” means the amount, as determined by the CFD Administrator, for any Fiscal Year to: (i) pay the costs of providing the Municipal Services during such Fiscal Year, (ii) pay Administrative Expenses associated with the Special Tax, (iii) establish or replenish any operational reserve fund established for Municipal Services, (iv) pay incidental expenses related to the Municipal Services as authorized pursuant to the Act, (v) fund an amount equal to a reasonable estimate of delinquencies expected to occur in the Fiscal Year in which the Special Tax will be levied (“Estimated Special Tax Delinquency Amount”) and (vi) fund the shortfall, if any, in the Special Tax revenues collected in the preceding Fiscal Year necessary to fund the Special Tax Requirement for such Fiscal Year where such shortfall resulted from delinquencies in the payment of the Special Tax in such Fiscal Year that exceeded the Estimated Special Tax Delinquency Amount included in the Special Tax Requirement for such Fiscal Year.

“Taxable Property” means all Assessor’s Parcels that are not exempt from the Special Tax pursuant to the Act or Section H.

“Undeveloped Property” means an Assessor’s Parcel of Taxable Property which is not classified as Developed Property.

“Zone” means, as the context requires, either Outer Zone or Inner Zone.

B. CLASSIFICATION OF ASSESSOR’S PARCELS

Each Fiscal Year, beginning with Fiscal Year 2021-22, using the definitions above, each Assessor’s Parcel within CFD 2021-1 shall be assigned to the Outer Zone or the Inner Zone and classified by the CFD Administrator as Taxable Property or Exempt Property. In addition, each such Fiscal Year, each Assessor’s Parcel of Taxable Property shall be further classified by the CFD Administrator as Developed Property or Undeveloped Property. Commencing with Fiscal Year 2021-22 and for each subsequent Fiscal Year, all Taxable Property shall be assigned a Land Use Type and subject to the levy of the Special Tax pursuant to Section C below.

C. SPECIAL TAX RATES

1. Developed Property

Each Fiscal Year commencing in Fiscal Year 2021-22, each Assessor’s Parcel of Developed Property shall be subject to the Special Tax.

The Maximum Special Tax for Developed Property for Fiscal Year 2021-22 is shown below in Table 1.

TABLE 1

Land Use Type	Outer Zone Maximum Special Tax	Inner Zone Maximum Special Tax
Single-Family Residential Property	\$901 per Residential Unit	\$546 per Residential Unit
Multi-Family Residential Property	\$631 per Residential Unit	\$382 per Residential Unit

For each subsequent Fiscal Year commencing July 1, 2024, the Maximum Special Tax rates shall be increased from the Maximum Special Tax rate in effect for the prior Fiscal Year by the Annual Escalation Factor.

2. Undeveloped Property

Each Fiscal Year commencing in Fiscal Year 2021-22, each Assessor’s Parcel classified as Undeveloped Property shall be exempt from the levy of the Special Tax.

3. Exempt Property

No Special Tax shall be levied on Exempt Property as defined in Section F.

For each Fiscal Year, if the use or ownership of an Assessor's Parcel or Exempt Property changes so that such Assessor's Parcel is no longer classified as one of the uses set forth in Section F, therefore making such Assessor's Parcel no longer eligible to be classified as Exempt Property, such Assessor's Parcel shall be deemed to be Taxable Property and shall be taxed pursuant to the provisions of Section C.

D. METHOD OF APPORTIONMENT OF SPECIAL TAX

Commencing in Fiscal Year 2021-22 and for each subsequent Fiscal Year, the CFD Administrator shall levy the Special Tax on all Taxable Property of CFD 2021-1 until the total amount of Special Tax levied equals the Special Tax Requirement. The Special Tax shall be levied Proportionately on each Assessor's Parcel of Developed Property within CFD 2021-1 up to 100% of the Maximum Special Tax to satisfy the Special Tax Requirement.

Notwithstanding any provision of this Section D to the contrary, under no circumstances will the Special Tax levied against any Assessor's Parcel of Developed Property that is classified as Residential Property be increased by more than ten percent (10%) per Fiscal Year as a consequence of delinquency or default in the payment of the Special Tax by the owner of any other Assessor's Parcel.

E. PREPAYMENT OF SPECIAL TAX

The Special Tax shall be levied in perpetuity for the purpose of financing ongoing authorized services and therefore may not be prepaid.

F. EXEMPTIONS

The City Council shall classify as Exempt Property: (i) Public Property, (ii) Property Owner Association Property, (iii) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement, including but not limited to property designated for open space, trails, pathways, parks or park and recreation related facilities, (iv) property reasonably designated by the City or CFD Administrator as affordable housing, and (v) property reasonably designated by the City or CFD Administrator as Exempt Property due to deed restrictions, conservation easement, or similar factors.

G. APPEALS

Any property owner claiming that the amounts or application of the Special Tax is not correct may file a written notice of appeal with the CFD Administrator not later than twelve months after having paid the first installment of the Special Tax. The CFD Administrator 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, and rule on the appeal. If the decision of the CFD Administrator requires that the Special Tax for an Assessor's Parcel be modified or changed in favor of the property owner, a cash refund shall not be made but an adjustment shall be made to the Special Tax on that Assessor's Parcel in the subsequent Fiscal Year(s) to compensate for the overpayment of the Special Tax.

H. MANNER OF COLLECTION

The Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that the Special Tax may be billed and collected at a different time or in a different manner if necessary to meet the financial obligations of CFD 2021-1.

I. DURATION OF TAX

The Special Tax shall be levied in perpetuity to fund the Special Tax Requirement unless such tax is no longer required as determined by the City Council.

Attachment A – Zone Map

