

CITY OF WILDOMAR CITY COUNCIL
AND WILDOMAR CEMETERY DISTRICT AGENDA

6:30 P.M. – SPECIAL MEETING

JUNE 27, 2012
Council Chambers
23873 Clinton Keith Road



Ben Benoit, Mayor
Timothy Walker, Mayor Pro Tem
Bob Cashman, Council Member
Bridgette Moore, Council Member
Marsha Swanson, Council Member

Frank Oviedo
City Manager

Thomas D. Jex
City Attorney

CALL TO ORDER – 6:30 P.M.

ROLL CALL

PUBLIC COMMENTS

1.1 City of Wildomar Community Facility District No. 2012-1 (Wildomar Parks)

RECOMMENDATION: Staff recommends that the City Council:

1. Adopt a Resolution entitled:

**RESOLUTION NO. 2012 - 32
A RESOLUTION OF INTENTION OF THE CITY COUNCIL
OF THE CITY OF WILDOMAR, CALIFORNIA, TO
ESTABLISH COMMUNITY FACILITIES DISTRICT NO.
2012-1 (WILDOMAR PARKS) OF THE CITY OF
WILDOMAR AND TO AUTHORIZE THE LEVY OF A
SPECIAL TAX WITHIN COMMUNITY FACILITIES
DISTRICT NO. 2012-1 (WILDOMAR PARKS) OF THE CITY
OF WILDOMAR**

AND/OR

2. Direct staff to engage advisors and appropriate \$43,000 from fund balance to conduct the activities associated with the parks assessment ballot measure for the November 6, 2012 election.
3. Direct staff to engage advisors for surveying the community interest in funding parks maintenance and related activities and appropriate \$9,000 from fund balance for the survey.
4. Direct staff to research the process of a mail ballot election for a park assessment and provide a report to City Council at a date to be determined.
5. Direct staff to research the process of a special election in 2013 for a park assessment and provide a report to City Council at a date to

be determined.

6. Other direction related to the formation of a park special tax.

ADJOURN THE CITY COUNCIL

If requested, the agenda and backup materials will be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans With Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof.

Any person that requires a disability-related modification or accommodation, including auxiliary aids or services, in order to participate in the public meeting, may request such modification, accommodation, aid or service by contacting the City Clerk either in person or by phone at 951/677-7751, no later than 10:00 a.m. on the day preceding the scheduled meeting.

I, Debbie A. Lee, Wildomar City Clerk, do certify that on June 22, 2012, by 5:00 p.m., a true and correct copy of this agenda was posted at the three designated posting locations:

Wildomar City Hall, 23873 Clinton Keith Road,
U.S. Post Office, 21392 Palomar Street,
Mission Trail Library, 34303 Mission Trail Blvd.

Debbie A. Lee, CMC
City Clerk

CITY OF WILDOMAR – COUNCIL
Agenda Item #1.1
GENERAL BUSINESS
Meeting Date: June 27, 2012

TO: Mayor and City Council Members

FROM: Gary Nordquist, Assistant City Manager

SUBJECT: City of Wildomar Community Facility District No. 2012-1 (Wildomar Parks)

STAFF REPORT

RECOMMENDATION:

Staff recommends that the City Council:

1. Adopt a Resolution entitled:

RESOLUTION NO. 2012 - 32
A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE
CITY OF WILDOMAR, CALIFORNIA, TO ESTABLISH COMMUNITY
FACILITIES DISTRICT NO. 2012-1 (WILDOMAR PARKS) OF THE
CITY OF WILDOMAR AND TO AUTHORIZE THE LEVY OF A
SPECIAL TAX WITHIN COMMUNITY FACILITIES DISTRICT NO.
2012-1 (WILDOMAR PARKS) OF THE CITY OF WILDOMAR

AND/OR

2. Direct staff to engage advisors and appropriate \$43,000 from fund balance to conduct the activities associated with the parks assessment ballot measure for the November 6, 2012 election.
3. Direct staff to engage advisors for surveying the community interest in funding parks maintenance and related activities and appropriate \$9,000 from fund balance for the survey.
4. Direct staff to research the process of a mail ballot election for a park assessment and provide a report to City Council at a date to be determined.
5. Direct staff to research the process of a special election in 2013 for a park assessment and provide a report to City Council at a date to be determined.

6. Other direction related to the formation of a park special tax.

BACKGROUND:

At the June 13, 2012 Council Meeting, the City Council directed staff to research and report back on the timing and necessary activities required to place a special tax for parks on the November 6, 2012 ballot. Staff consulted with necessary advisors and has provided the schedule of events as attachment A.

Due to the required timing of events, should the City Council desire to take advantage of consolidating a park special tax vote with the regular scheduled election of November 6, 2012, several actions are necessary at this time.

The initial step in the process would be to approve a resolution of intention as provided in attachment "B". Approval of the resolution is required to occur no less than 30 days before the public hearing, tentatively scheduled for July 31, 2012. This timing of events would meet the criteria of conducting a public hearing 90 days prior to the election date of November 6, 2012.

DISCUSSION:

The attached resolution of intention describes a Special tax, fixed at \$28.00 per benefit unit per year. The Special tax would apply to all parcels in the City with consideration to zonings (residential, multifamily, commercial and industrial) and development status (improved or vacant). The proceeds of this Special tax, estimated annually at approximately \$360,000, would be used to fund maintenance and activities for Wildomar parks.

**Proposed Special Tax Rates
Wildomar Parks**

Land Use Category	Benefit Unit Assignment	Maximum Special Tax Rate
Single Family Property	One (1) BU per Residential Unit	\$28 per BU
Multi Family Property	One (1) BU per Residential Unit	\$28 per BU
Non-Residential Property	Two (2) BU per Acre	\$28 per BU
Undeveloped Property	One (1) BU per Assessor's Parcel	\$28 per BU

There are several other alternatives to this election schedule:

- A. The City Council could direct staff to performing a survey of the community's interest for funding parks. This task could be accomplished before the July 31st scheduled public hearing at a cost of approximately \$10,000. This would provide the City Council with valuable information in order to determine community sentiments towards acceptable uses and funding of the parks.
- B. The City Council could chose the alternative voting method using a mail ballot that is sent to all property owners in the City. This method would cost the City approximately \$25,500 for processing and tabulating the election results by an independent professional firm.
- C. Should the City Council defer the November 2012 Consolidated General Election process being considered in this agenda item for a standalone ballot measure, the estimated costs of the election would be approximately \$30,000 based on the previous County invoices from the June 2011 Election.

FISCAL IMPACT:

Estimate costs associated with the November 6, 2012 election are:

- \$ 8,000 Election Processing
- \$10,000 Engineering Firm Reports and Processing
- \$17,000 Legal Costs
- \$ 8,000 Staff and Special Meetings
- \$43,000 Total Costs for November 6, 2012 Parks Ballot Measure

Submitted by:

Approved by:

Gary Nordquist
Assistant City Manager

Frank Oviedo
City Manager

ATTACHMENTS:

- A) Schedule of Activities
- B) Resolution No. 2012-___, Intention to Establish CFD 2012-1 Wildomar Parks

Attachment A

City of Wildomar
Formation of CFD 2012-1 (Wildomar Parks) Timeline

JUNE							JULY							AUGUST						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
					1	2	1	2	3	4	5	6	7				1	2	3	4
3	4	5	6	7	8	9	8	9	10	11	12	13	14	5	6	7	8	9	10	11
10	11	12	13	14	15	16	15	16	17	18	19	20	21	12	13	14	15	16	17	18
17	18	19	20	21	22	23	22	23	24	25	26	27	28	19	20	21	22	23	24	25
24	25	26	27	28	29	30	29	30	31					26	27	28	29	30	31	

SEPTEMBER							OCTOBER							NOVEMBER						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
						1		1	2	3	4	5	6					1	2	3
2	3	4	5	6	7	8	7	8	9	10	11	12	13	4	5	6	7	8	9	10
9	10	11	12	13	14	15	14	15	16	17	18	19	20	11	12	13	14	15	16	17
16	17	18	19	20	21	22	21	22	23	24	25	26	27	18	19	20	21	22	23	24
23	24	25	26	27	28	29	28	29	30	31				25	26	27	28	29	30	
30																				

City Council meets:
 City Council Agenda Deadline:
 Webb = Albert A. Webb Associates

Every 2nd Wednesday of the month (outlined); 6:30pm
7 days prior to Council meeting
 City = City of Wildomar Staff

Schedule Updated: 6/19/2012

Item	Description	Start Date	Due Date	Status	Party Responsible
1	Webb reviews landowner information, confirming all information is current. Webb prepares the draft RMA, Boundary Map and sends the information to the City and Legal Counsel for review.	June 15, 2012	June 21, 2012		Webb
2	Legal Counsel prepares Resolution approving the RMA and Boundary Map and setting the Date and Time of the Public Hearing	June 15, 2012	June 21, 2012		Legal Counsel
3	Resolution of Intention Meeting - City Council adopts the Resolution of Intention that sets the time and place of the Public Hearing and approves the boundary Map.	Agenda deadline is no later than June 21, 2012 by 5:00PM	June 27, 2012 (Special Meeting)		All Parties
4	Webb records Boundary Map at least 15 days prior to Public Hearing date.		No later than July 13, 2012		Webb
5	Legal Counsel prepares Resolutions to be adopted at the Public Hearing.		July 16, 2012		Legal Counsel
6	Public Hearing – City Council holds a Public Hearing establishing the CFD, approving the CFD Report and setting the time and place of the Election Day. If no majority protest, Election can be held on November 6, and conducted by the County Registrar of Voters		July 31, 2012 (Special Meeting)		All Parties
7	Legal Counsel prepares ballot language (75 words or less)	August 1, 2012	August 9, 2012		Legal Counsel
8	City or Legal Counsel delivers appropriate documents (ballot language and certified resolutions to the County Registrar of Voters)		August 10, 2012		City or Legal Counsel
9	Election Day		November 6, 2012		City Council
10	Webb or Legal Counsel files a Notice of Tax Lien with the County no later than 15 days after the Resolution Declaring the Election Results is adopted		No later than November 21, 2012		Webb, Legal Counsel

Attachment B

RESOLUTION NO. 2012 - 32

A RESOLUTION OF INTENTION OF THE CITY COUNCIL OF THE CITY OF WILDOMAR, CALIFORNIA, TO ESTABLISH COMMUNITY FACILITIES DISTRICT NO. 2012-1 (WILDOMAR PARKS) OF THE CITY OF WILDOMAR AND TO AUTHORIZE THE LEVY OF A SPECIAL TAX WITHIN COMMUNITY FACILITIES DISTRICT NO. 2012-1 (WILDOMAR PARKS) OF THE CITY OF WILDOMAR

WHEREAS, the City Council (the "Council") of the City of Wildomar (the "City") intends to institute proceedings to establish a community facilities district pursuant to the Mello-Roos Community Facilities Act of 1982 (the "Act"), commencing with Section 53311 of the California Government Code (the "Government Code"), and to authorize the levy of a special tax (the "Special Tax") within Community Facilities District No. 2012-1; and

WHEREAS, the Council desires to adopt this resolution of intention as provided in Section 53321 of the Act to establish a community facilities district consisting of the territory described in Exhibit "A" attached hereto and incorporated herein by this reference, which community facilities district shall be known as "Community Facilities District No. 2012-1 (Wildomar Parks) of the City of Wildomar" ("Community Facilities District No. 2012-1" or "District") pursuant to the Act to finance the cost of providing proposed services (the "Services") to Community Facilities District No. 2012-1, which Services are described in Exhibit "B" hereto and incorporated herein by this reference;

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

Section 1. The above recitals are true and correct.

Section 2. The Council hereby declares that it proposes and intends to establish a community facilities district pursuant to the provisions of the Act, in the manner described below.

Section 3. The proposed boundaries of the community facilities district shall be as described on the boundary map (the "Boundary Map") set forth in Exhibit "A" hereto, which boundaries shall, upon recordation of the Boundary Map for Community Facilities District No. 2012-1, include the entirety of any parcel subject to taxation by Community Facilities District No. 2012-1. The proposed boundaries of Community Facilities District No. 2012-1 are depicted on the Boundary Map of the proposed Community Facilities District No. 2012-1 which is on file in the office of the City Clerk entitled "Proposed Boundary Map, Community Facilities District No. 2012-1 (Wildomar Parks) of the City of Wildomar, County of Riverside, State of California" which Boundary Map indicates by a boundary line the extent of the territory included in the proposed community facilities district and shall govern for all details as to the extent of Community

Facilities District No. 2012-1. On the original and one copy of the Boundary Map of such Community Facilities District No. 2012-1 on file in the City Clerk's office, the City Clerk shall endorse the certificate evidencing the date and adoption of this Resolution. The City Clerk shall file the original of such Boundary Map in the office of the City Clerk, and, within fifteen (15) days after the adoption of this Resolution, the City Clerk shall file a copy of such Boundary Map so endorsed in the records of the County Recorder, County of Riverside, State of California and cause the Recorder certificate on such Boundary Map to be completed and executed by a representative of the Recorder's staff.

Section 4. The name of the proposed community facilities district shall be "Community Facilities District No. 2012-1 (Wildomar Parks) of the City of Wildomar".

Section 5. The Services proposed to be provided and financed by Community Facilities District No. 2012-1 are described on Exhibit "B" attached hereto. The cost of providing the Services includes "incidental expenses," which include expenses to be incurred in connection with the determination of the amount of the levy of the Special Tax, the collection of the Special Tax including the expenses of collecting delinquencies, the payment of salaries and benefits of any City employee whose duties are directly related to the administration of the District, and costs otherwise incurred in order to carry out the authorized purposes of the District. The Council hereby finds and determines that the description of the Services herein is sufficiently informative to allow taxpayers within the proposed District to understand what the funds may be used to finance.

Section 6. Except where funds are otherwise available, the Special Tax, secured by recordation of a continuing lien against all nonexempt real property in Community Facilities District No. 2012-1, will be levied annually within Community Facilities District No. 2012-1 sufficient to pay for the Services (including incidental expenses). The proposed rate and method of apportionment and manner of collection of the Special Tax within Community Facilities District No. 2012-1 (the "Rate and Method") is described in detail in Exhibit "C" attached hereto and incorporated herein by this reference. The Rate and Method allows each landowner within Community Facilities District No. 2012-1 to estimate the maximum amount that may be levied against each parcel. In the first year in which such Special Tax is levied, the levy shall include an amount sufficient to repay Community Facilities District No. 2012-1 all amounts, if any, transferred to Community Facilities District No. 2012-1 pursuant to Section 53314 of the Act and interest thereon.

Section 7. A public hearing (the "Hearing") on the establishment of Community Facilities District No. 2012-1 and the proposed Rate and Method, shall be held on July 31, 2012?, at 6:30 o'clock p.m., or as soon thereafter as practicable, at the chambers of the City Council of the City of Wildomar, 23873 Clinton Keith Road, Wildomar, California 92595. Should the Council determine to form Community Facilities District No. 2012-1, a special election will be held within Community Facilities District No. 2012-1 to authorize the levy of the Special Tax in accordance with the procedures contained in

Government Code Section 53326. If held, the proposed voting procedure at the election will be a vote of the registered voters within Community Facilities District No. 2012-1 at a general election to be held on November 6, 2012.

Section 8. At the time and place set forth above for the Hearing, any interested person, including all persons owning lands or registered to vote within the proposed District, may appear and be heard.

Section 9. Each City officer who is or will be responsible for providing one or more of the proposed types of public services to be financed by Community Facilities District No. 2012-1, if it is established, is hereby directed to study the proposed community facilities district and, at or before the time of the above-mentioned Hearing, file a report (the "Report") with the City Council, which is to be made a part of the record of the Hearing, containing a brief description of the public services by type that will in his or her opinion be required to adequately meet the needs of Community Facilities District No. 2012-1 and an estimate of the cost of providing those public services, including an estimate of the fair and reasonable cost of any incidental expenses to be incurred.

Section 10. The City Clerk is hereby directed to publish, or cause to be published, a notice of the Hearing pursuant to Section 6061 of the Government Code in a newspaper of general circulation published in the area of Community Facilities District No. 2012-1. Such notice shall contain the information prescribed by Section 53322 of the Act. Such publication shall be completed at least 7 days prior to the date of the Hearing.

PASSED, APPROVED AND ADOPTED this 27th day of June, 2012.

Ben J. Benoit
Mayor

APPROVED AS TO FORM:

ATTEST:

Thomas D. Jex
City Attorney

Debbie A. Lee, CMC
City Clerk

EXHIBIT "A"

**COMMUNITY FACILITIES DISTRICT 2012-1
(WILDOMAR PARKS) OF THE CITY OF WILDOMAR
PROPOSED BOUNDARY MAP**

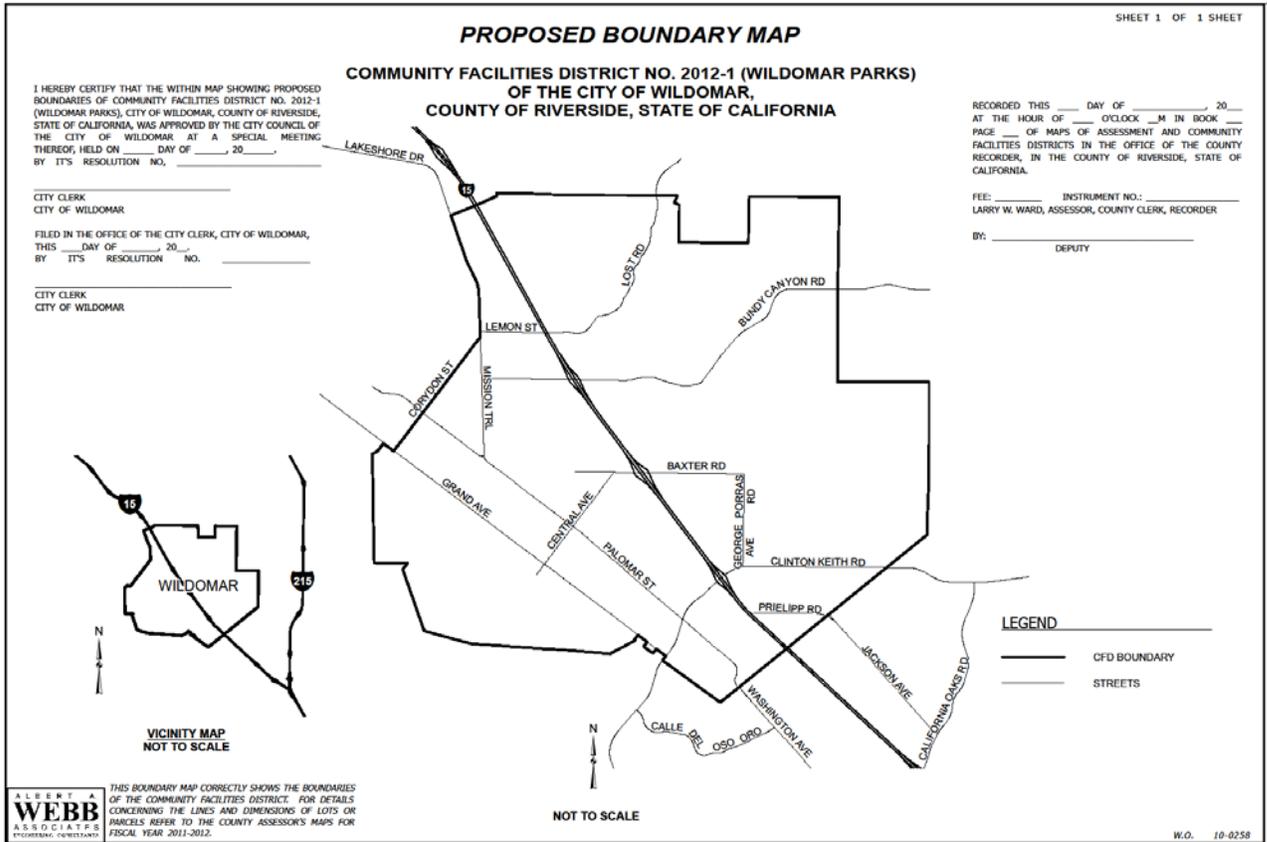


EXHIBIT "B"

TYPES OF SERVICES TO BE FINANCED BY
COMMUNITY FACILITIES DISTRICT NO. 2012-1
(WILDOMAR PARKS) OF THE CITY OF WILDOMAR

The services which may be funded with proceeds of the Special Tax of Community Facilities District No. 2012-1 (Wildomar Parks) of the City of Wildomar are as follows:

Maintenance and repair of playground or recreation program equipment or facilities situated on any park; maintenance and lighting of parks, parkways, streets, roads and open space, which maintenance and lighting services may include, without limitation, furnishing of electrical power to street lights; repair and replacement of damaged or inoperative light bulbs, fixtures and standards; maintenance (including irrigation and replacement) of landscaping vegetation situated on or adjacent to parks, parkways, streets, roads and open space; maintenance and repair of irrigation facilities; maintenance of public signage; graffiti removal from and maintenance and repair of public structures situated on parks, parkways, streets, roads and open space.

In addition to the payment of the cost and expense of the foregoing services, proceeds of the special tax may be expended to pay "Administrative Expenses," as said term is defined in Exhibit "C" to this resolution of intention.

EXHIBIT "C"

**RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR
COMMUNITY FACILITIES DISTRICT NO. 2012-1
(WILDOMAR PARKS)
OF THE CITY OF WILDOMAR**

The following sets forth the Rate and Method of Apportionment for the levy and collection of Special Tax (defined below) which shall be levied on and collected from each Assessor's Parcel (defined below) in Community Facilities District No. 2012-1 (Wildomar Parks), in each Fiscal Year, (defined below), commencing in the Fiscal Year beginning July 1, 2013, in an amount determined by the City Council of the City of Wildomar, acting ex officio as the legislative body of CFD No. 2012-1, by applying the rates and method of apportionment set forth below. All of the real property in CFD No. 2012-1, unless exempted by law or by the provisions herein, shall be taxed for the purposes, to the extent and in the manner provided herein.

A. DEFINITIONS

"Act" means the Mello-Roos Community Facilities Act of 1982, as amended, Chapter 2.5 (commencing with Section 53311) of Part 1 of Division 2 of Title 5 of the Government Code of the State of California.

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

"Administrative Expenses" means any ordinary and necessary expenses allocable to the Special Tax Requirement which are incurred by the City on behalf of CFD No. 2012-1 related to the determination of the amount of the levy of the Special Tax, the collection of the Special Tax including the expenses of collecting delinquencies, the payment of salaries and benefits of any City employee whose duties are directly related to the administration of CFD No. 2012-1, and costs otherwise incurred in order to carry out the authorized purposes of CFD No. 2012-1.

"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 Taxes according to this Rate and Method of Apportionment of Special Taxes.

“Approved Property” means, in any Fiscal Year, all Assessor’s Parcels of Taxable Property within CFD No. 2012-1 for which a Final Map was recorded prior to January 1 of any Fiscal Year, which are not yet Developed Property. The Administrator shall make the determination if an Assessor’s Parcel is Approved Property.

“Assessor’s Parcel” means a lot or parcel of land that is identifiable by an Assessor’s Parcel Number by the County Assessor of the County of Riverside.

“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 identification number assigned to a parcel by the County Assessor of the County.

“Benefit Unit” (“BU”) means a single family lot or dwelling unit or the equivalent. Single Family Property is assigned benefit units based on the number of Residential Units per Assessor’s Parcel with the basis being one (1) benefit unit per Residential Unit. Multi-Family Property is assigned one (1) benefit unit per Residential Unit. Non-Residential Property is assigned benefit units based on acreage with the basis being two (2) benefit units per Acre. Undeveloped Property is assigned units of benefit based upon acreage with the basis being one (1) benefit unit per Assessor’s Parcel. The Administrator shall make the determination of the number of Benefit Units assigned to an Assessor’s Parcel.

“CFD” or **“CFD No. 2012-1”** means the City of Wildomar Community Facilities District No. 2012-1 (Wildomar Parks).

“City” means the City of Wildomar.

“City Council” or **“Council”** means the City Council of the City of Wildomar, acting as the legislative body of CFD No. 2012-1.

“County” means the County of Riverside

“Developed Property” means all Assessor’s Parcels of Taxable Property within CFD No. 2012-1 that: (i) are included in a Final Map that was recorded prior to January 1st preceding the Fiscal Year in which the Special Tax is being levied, and (ii) a building permit was issued on or before March 1st preceding the Fiscal Year in which the Special Tax is being levied. The Administrator shall make the determination if an Assessor’s Parcel is Developed Property.

“Exempt Property” means all Assessors’ Parcels within CFD No. 2012-1 designated as being exempt from the Special Tax as provided for in Section F. The Administrator shall make the determination if an Assessor’s Parcel is Exempt Property.

“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 1352 that creates individual lots for which building permits for residential or non-residential structures may be issued without further subdivision.

“Fiscal Year” means the period from and including July 1st of any year to and including the following June 30th.

“Land Use Category” means, individually, Single Family Property, Multi-Family Property, Non-Residential Property, or Undeveloped Property.

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

“Maximum Special Tax” means the maximum amount of Special Tax, determined pursuant to Section C, that can be levied by the City Council in any Fiscal Year on an Assessor’s Parcel of Taxable Property to satisfy the Special Tax Requirement.

“Multi-Family Property” means, in any Fiscal Year, any Assessor’s Parcel of Approved Property within the boundaries of CFD No. 2012-1 for which a building permit may be issued for purposes of constructing a residential structure consisting of two or more Residential Units that share common walls or any Assessor’s Parcel of Developed Property for which a building permit has been issued for purposes of constructing a residential structure consisting of two or more Residential Units that share common walls. Such Residential Units include but are not limited to duplexes,

triplexes, townhomes, condominiums, and apartment units. The Administrator shall make the determination if an Assessor's Parcel is Multi-Family Property.

“Non-Residential Property” means all Assessor's Parcels of Developed Property within the boundaries of the CFD that are not Single Family Property, Multi-Family Property, Undeveloped Property, or Exempt Property. The Administrator shall make the determination if an Assessor's Parcel is Non-Residential Property.

“Proportionately” means, for: (i) Single Family Property, that the ratio of the actual Special Tax levy per Benefit Unit to the Maximum Special Tax per Benefit Unit, as applicable, is the same for all such Assessor's Parcels of Single Family Property, (ii) Multi-Family Property, that the ratio of the actual Special Tax levy per Benefit Unit to the Maximum Special Tax per Benefit Unit, as applicable, is the same for all such Assessor's Parcels of Multi-Family Property, (iii) Non-Residential Property, that the ratio of the actual Special Tax levy per Benefit Unit to the Maximum Special Tax per Benefit Unit is the same for all such Assessor's Parcels of Non-Residential Property, and (iv) Undeveloped Property, that the ratio of the actual Special Tax levy per Benefit Unit to the Maximum Special Tax per Benefit Unit as applicable, is the same for all such Assessor's Parcels of Undeveloped Property

“Residential Property” means all Assessor's Parcels of Approved Property or Developed Property within the boundaries of CFD No. 2012-1 for which a building permit has been or will be issued for purposes of constructing or placing thereon one or more residential dwelling units or upon which a residential dwelling unit has been constructed or placed. The Administrator shall make the determination if an Assessor's Parcel is Residential Property.

“Residential Unit” means, for each Fiscal Year, a building or portion thereof on an Assessor's Parcel intended for use by one (1) family and containing but one (1) kitchen, which is designed primarily for residential occupancy including single family and multi-family dwellings. Residential Unit shall not include hotels or motels which shall be classified as Non-Residential Property. The Administrator shall make the determination of the number of Residential Units for Residential Property.

“Service(s)” means those services authorized to be funded by CFD No. 2012-1 as set forth in the documents adopted by the City Council when the CFD was formed.

“Single Family Property” means, for any Fiscal Year, all Assessor's Parcels of Developed Property within the boundaries of CFD No. 2012-1 for which a building permit has been issued for purposes of constructing a detached Residential Unit, or

all Assessor's Parcels of Approved Property within the boundaries of CFD No. 2012-1 for which a building permit may be issued for construction of a detached Residential Unit. Such Residential Unit does not or will not share a common wall with another Residential Unit. The Administrator shall make the determination if an Assessor's Parcel is Single Family Property.

"Special Tax(es)" means the special tax to be levied in each Fiscal Year on each Assessor's Parcel of Taxable Property for the Special Tax.

"Special Tax" means the Special Tax actually levied in any Fiscal Year on any Assessor's Parcel.

"Special Tax Requirement" means the amount, after taking into consideration available funds, required in any Fiscal Year to pay: (1) costs related to the Services authorized by the City to be funded and (2) Administrative Expenses attributable to said Services, as determined by the City.

"Taxable Property" means all Assessor's Parcels within CFD No. 2012-1, which are not Exempt Property. The Administrator shall make the determination if an Assessor's Parcel is Taxable Property.

"Undeveloped Property" means, for each Fiscal Year, all Assessor's Parcels of Taxable Property within the boundaries of CFD No. 2012-1 that are not classified as Developed Property or Approved Property, as determined by the Administrator.

B. ASSIGNMENT TO LAND USE CATEGORY

On or about June 1 of each Fiscal Year the Administrator shall identify the current Assessor's Parcel Number assigned to all Assessor's Parcels of Taxable Property within CFD No. 2012-1.

The Administrator shall then determine: (i) whether each Assessor's Parcel of Taxable Property is Developed Property, Approved Property, or Undeveloped Property, using the definitions above; (ii) for Developed Property or Approved Property, which Assessor's Parcels are Single Family Property, Multi-Family Property, or Non-Residential Property, using the definitions above; (iii) for Developed Property and Approved Property that is Multi-Family Property, the number of Residential Units within each building based on reference to the building permit, site plan, condominium plan, or other development plan; and (iv) the Special Tax Requirement. Developed Property, Approved Property and Undeveloped Property shall be subject to the Special Taxes pursuant to Sections C and D below.

C. SPECIAL TAX RATES

Developed, Approved, and Undeveloped Property

Upon determination that an Assessor's Parcel of Taxable Property is Approved Property, Developed Property, or Undeveloped Property the Special Tax rates shall be the amounts shown in Table 1 for the Special Tax according to the Land Use Category within CFD No. 2012-1.

TABLE 1
Special Tax Rates
Community Facilities District No. 2012-1 (Wildomar Parks)

Land Use Category	Benefit Unit Assignment	Maximum Special Tax Rate
Single Family Property	One (1) BU per Residential Unit	\$28 per BU
Multi Family Property	One (1) BU per Residential Unit	\$28 per BU
Non-Residential Property	Two (2) BU per Acre	\$28 per BU
Undeveloped Property	One (1) BU per Assessor's Parcel	\$28 per BU

Exempt Property

No Special Tax shall be levied on Exempt Property.

D. METHOD OF APPORTIONMENT OF ANNUAL SPECIAL TAX

Commencing with the Fiscal Year in which the City Council determines that the levy of the Special Taxes shall commence and for each subsequent Fiscal Year, the Council shall determine the total amount of the Special Tax Requirement to be levied and collected to pay the costs of providing the Services during the Fiscal Year and shall levy the Special Tax as determined by the actual cost of providing Services on all Assessor's Parcels of Taxable Property in all Land Use Categories at the rates necessary to fully fund such costs; provided that such rates shall not exceed the Maximum Special Tax Rates for the Fiscal Year. In levying the Special Tax to fund the costs of providing the Services in each Fiscal Year, the City shall (a) determine the cost of providing the Services and the amount of the Special Tax per Benefit Unit to be levied on all Assessor's Parcels of Taxable Property that are Approved Property, Developed Property and Undeveloped Property to provide such Services;

(b) levy the Special Tax on all Assessor's Parcels of Taxable Property that are Approved Property, Developed Property and Undeveloped Property, as then applicable, based on the Benefit Units assigned to such Assessor's Parcels depending on the Land Use Categories to which they are assigned. The amount of the Special Tax to be levied on any Assessor's Parcel in any Fiscal Year shall be the total of the rates of Special Tax determined pursuant to clauses (a) and (b) above, to the extent that such clauses are applicable to the Assessor's Parcel, based on the Land Use Category to which the Assessor's Parcel is assigned and the Services which must be funded from the total amount of the Special Tax per Benefit Unit to be levied Proportionately on all Assessor's Parcels in the same Land Use Category to fund the costs of such Services.

E. INTERPRETATIONS OF SPECIAL TAX FORMULA

The City reserves the right to make minor administrative and technical changes to this document that do not materially affect the Rate and Method of Apportionment of Special Taxes. In addition, the interpretation and application of any section of this document shall be left to the City's discretion. The City may make interpretations by ordinance or resolution for the purposes of clarifying any vagueness or ambiguity in the Rate and Method of Apportionment of Special Tax.

F. EXEMPTIONS

The Administrator shall classify as Exempt Property within CFD No. 2012-1, any Assessor's Parcel in any of the following categories; (i) Assessor's Parcels which are owned by, irrevocably offered for dedication to, encumbered by or restricted in use by any public entity; (ii) Assessor's Parcels with public or utility easements making impractical their utilization for other than the purposes set forth in the easement; (iii) Assessor's Parcels which are privately owned but are encumbered by or restricted solely for public uses; (iv) any Assessor's Parcel which is in use in the performance of a public function as determined by the Administrator; or (v) Assessor's Parcel used as a place of worship or for other religious activities as determined by the Administrator.

G. APPEALS

Any property owner claiming that the amount or application of the Special Tax is not correct may file a written notice of appeal with the City not later than twelve months after having paid the first installment of the Special Tax that is disputed. A representative(s) of CFD No. 2012-1 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 representative's decision 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).

H. MANNER OF COLLECTION

The Special Taxes shall be collected in the same manner and at the same time as ad valorem property taxes and shall be subject to the same penalties, and the same procedure, sale and lien priority in case of delinquency as is provided for ad valorem taxes; provided, however, that the City may collect Special Taxes at a different time or in a different manner, if necessary, to meet the financial obligations of CFD No. 2012-1.

I. TERM OF SPECIAL TAX

All Assessor's Parcels of Taxable Property shall continue to be subject to the levy and collection of the Special Tax to satisfy the Special Tax Requirement as long as the City provides the Services within and for the benefit of the residents within CFD No. 2012-1.