

## ATTACHMENT "B"

### RATES AND METHOD OF APPORTIONMENT OF SPECIAL TAX FOR COMMUNITY FACILITIES DISTRICT NO. 2 (EASTVALE AREA) OF JURUPA COMMUNITY SERVICES DISTRICT

A special tax (the "Special Tax") (defined below) shall be applicable to each Parcel (defined below) located in Community Facilities District No. 2 of Jurupa Community Services District (hereinafter "CFD No. 2"). The amount of Special Tax to be levied on a Parcel in any Fiscal Year (defined below) shall be determined by the Board of Directors of Jurupa Community Services District (hereinafter the "District") acting in its capacity as the legislative body of CFD No. 2 (hereinafter the "Board of Directors"), as provided in Sections B, C, and D below for Taxable Property (all such terms being defined below). All of the property in CFD No. 2, unless exempted by the provisions of Section E below, shall be taxed for the purposes, to the extent and in the manner, herein provided.

The Board of Directors may levy the Special Tax in any Fiscal Year, commencing with Fiscal Year 1999-00, (a) to pay the principal of and interest on outstanding bonds of CFD No. 2 which have been issued to finance the provision, construction and acquisition of Facilities (as hereinafter defined), (b) to pay the costs of the provision, construction and acquisition of Facilities and/or to accumulate funds therefor, (c) to pay the annual cost of the operation and maintenance of Parks and Park Improvements and Landscape (as hereinafter defined), (d) to pay annual Administrative Expenses (as hereinafter defined), and (e) to replenish the reserve fund for such bonds or accumulate funds for future bond payments, including any amount required to be rebated to the United States of America.

#### A. DEFINITIONS

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

"Administrative Expenses" means all ordinary and necessary costs and expenses of the District to carry out its duties as the administrator of CFD No. 2, as allowed by the Act, which shall include, without limitation, all costs and expenses arising out of or resulting from the annual levy and collection of the Special Tax, any litigation involving CFD No. 2, continuing disclosure undertakings of the District as imposed by applicable laws and regulations, communication with bondholders and normal administrative expenses (including without limitation, any District overhead and salaries).

"Administrator" means the General Manager of the District, or his/her designee.

"Alternative Maximum Special Tax Rate" means, for Fiscal Year 1999-00, the amount of \$2,244 per Gross Acre of all Parcels of Developed and Undeveloped Residential Property. For each Fiscal Year following Fiscal Year 1999-00, the Alternative Maximum Special Tax Rate shall be increased by an amount equal to two percent (2%) of the amount in effect for the prior Fiscal Year.

"Assessor's 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 Assessor of the County of Riverside designating parcels by Assessor's Parcel Number.

"Board of Directors" means the Board of Directors of the District.

"CFD No. 2" means Community Facilities District No. 2 (Eastvale Area) of the District.

"Church Property" means all property which, as of March 1 preceding the Fiscal Year for which the Special Tax is levied, has been or is planned to be developed for use as a church sanctuary, synagogue or other such place of worship, which may or may not include associated buildings which are to be used for religious educational purposes, and which is exempt from taxation pursuant to Section 214 of the Revenue and Taxation Code of the State of California.

"Commercial/Business Property" means all Parcels of Taxable Property which, as of March 1 of the Fiscal Year preceding the Fiscal Year for which the Special Tax is being levied, have been or are planned to be developed for commercial, retail, industrial, office, business park, golf course clubhouse, or other similar uses, as specified in the Land Use Regulations.

"County" means the County of Riverside, California.

"Debt Service and Facilities Special Tax Requirement" means that amount required in any Fiscal Year (1) to pay principal of and interest on all outstanding bonds or other indebtedness of CFD No. 2, (2) to pay Administrative Expenses attributable to such bonds and the levy and collection of the Special Tax, (3) to pay costs of credit enhancement for such bonds, (4) to replenish the reserve fund for such bonds or accumulate funds for future bond payments, including any amount required to be rebated to the United States of America with respect to such bonds, and (5) to provide any amounts which the Board of Directors determines are necessary to pay the costs of the provision, construction and acquisition of Facilities and/or to accumulate funds therefor.

"Developed Property" means (1) all Single Family Residential Property which, as of March 1 preceding the Fiscal Year for which the Special Tax is

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being levied, has been subject to the issuance of a Building Permit which allows residential dwelling units to be constructed, and (2) all Commercial/Business Property and Multi-Family Residential Property which, as of March 1 preceding the Fiscal Year for which the Special Tax is being levied, has been subject to the issuance of a building permit or other development approval for such use, including but not limited to the construction of parking lots, and (3) all Golf Course Property which, as of March 1 preceding the Fiscal Year for which the Special Tax is being levied, has been subject to the issuance of a grading permit.

"District" means Jurupa Community Services District.

"Facilities" means Parks and Park Improvements and any other improvements or facilities designated by the District, with an estimated useful life of five years or longer, including incidental services and real property acquisition, which are eligible for financing under the Act.

"Fiscal Year" means the period from and including July 1 of any year to and including the following June 30.

"Golf Course Property" means all Parcels of Taxable Property which, as of March 1 of the Fiscal Year preceding the Fiscal Year for which the Special Tax is being levied, have been or are planned to be developed for golf course uses, as specified in the Land Use Regulations. Golf Course Property shall not include Parcels with structures such as clubhouses or restaurants, which are Commercial/Business Property.

"Gross Acre(age)" means the gross acreage of a Parcel excluding rights-of-way for public streets and easements and other areas dedicated for public use.

"Landscape" means landscape, including turf, trees, shrubs, bushes, and other cultivated vegetation which is planted and growing in, and hardscape which is located in publicly owned street rights-of-way, parkways and open-space areas.

"Land Use Regulations" means the General Plan, Community Plan, Zoning Ordinance, any Specific Plan, or any other applicable land use regulations of the County of Riverside, or any successor agency.

"Maximum Special Tax for Debt Service and Facilities" means the maximum amount of Special Tax, determined in accordance with Section C below, that can be levied by the Board of Directors in any Fiscal Year on a Parcel of Taxable Property to satisfy the Debt Service and Facilities Special Tax Requirement.

"Maximum Special Tax for O & M" means the maximum amount of Special Tax, determined in accordance with Section C below, that can be levied by the Board of Directors in any Fiscal Year on a Parcel of Taxable Property to satisfy the O & M Special Tax Requirement.

"Maximum Special Tax Rate(s) for Debt Service and Facilities" means the Maximum Special Tax Rate for the then current Fiscal Year that can be levied by the Board of Directors in any Fiscal Year to satisfy the Debt Service and Facilities Special Tax Requirement. The Maximum Special Tax Rates for Debt Service for Developed and Undeveloped Property and for all Land Use Categories for Fiscal Year 1999-00 are set forth in Table 1 below. The Maximum Special Tax Rates for Debt Service and Facilities shall be increased on July 1, 2000 and on July 1 of each subsequent year by an amount equal to two percent (2%) of the amount of the Maximum Special Tax Rates for the preceding Fiscal Year.

"Maximum Special Tax Rate(s) for O & M" means the Maximum Special Tax Rate for the then current Fiscal Year that can be levied to satisfy O & M Special Tax Requirement. The Maximum Special Tax Rates for O & M for Developed and Undeveloped Property and for all Land Use Categories for Fiscal Year 1999-00 are set forth in Table 1 below. The Maximum Special Tax Rates for O & M shall be increased on July 1, 2000 and on July 1 of each subsequent year by an amount equal to two percent (2%) of the amount of the Maximum Special Tax Rates for the preceding Fiscal Year.

"Multi-Family Residential Property" means all Parcels of Taxable Property which, as of March 1 preceding the Fiscal Year for which the Special Tax is being levied, have been or are planned to be developed for multi-family residential apartment use, as specified in the Land Use Regulations.

"Net Taxable Acre(age)" means the total acreage of land within CFD No. 2, as calculated from the then current applicable Assessor's Parcel Maps, excluding the acreage of property exempted under the Act or the provisions of Section E below from the Special Tax.

"O & M Special Tax Requirement" means the amount required in any Fiscal Year to pay: (1) costs related to the ongoing Operation and Maintenance and (2) Administrative Expenses attributable to said ongoing Operation and Maintenance, as determined by the District.

"Operation and Maintenance" means the operation and maintenance of Parks and Park Improvements and Landscape.

"Parcel" means a lot or parcel, any portion of which lies within the boundaries of CFD No. 2, and which is shown on the then current applicable Assessor's Parcel Map(s) with an assigned parcel number, and which is not exempt from the Special Tax pursuant to the Act or Section E below.

"Park and Open Space Property" means all property which, as of March 1 of the Fiscal Year preceding the Fiscal Year for which the Special Tax is being levied, has been or is planned to be developed for active park or open space uses, conveyed to and controlled by a public agency, as specified in the Land Use Regulations.

"Parks and Park Improvements" means parks and park and recreation improvements which are to be developed, constructed and installed within and in the area of CFD No. 2 and which will be owned and operated by the District for the benefit of the residents of CFD No. 2.

"Property Owners' Association Property" means all property which, as of March 1 of the Fiscal Year for which the Special Tax is being levied, has been or is planned to be conveyed, dedicated or irrevocably offered for dedication to a property owners' association for recreational or open-space use, as specified in the Land Use Regulations.

"Public School Property" means all property which, as of March 1 preceding the Fiscal Year for which the Special Tax is being levied, has been or is planned to be conveyed, dedicated, or irrevocably offered for dedication or leased for a term of ten (10) years or more to a public agency for the purpose of providing public school facilities, as specified in the Land Use Regulations, and which is exempt from general ad valorem taxation.

"Residential Property" means Parcels of Multi-Family Residential Property and Single Family Residential Property.

"Single Family Residential Property" means all Parcels of Taxable Property which, as of March 1 of the Fiscal Year preceding the Fiscal Year for which the Special Tax is being levied, have been or are planned to be developed for single family residential use, as specified in the Land Use Regulations.

"Special Tax(es)" means the Special Tax to be levied, in each Fiscal Year, on each Parcel of Taxable Property, pursuant to Sections B, C, and D below, to fund both the Debt Service and Facilities Special Tax Requirement and the O & M Special Tax Requirement.

"Table 1" means Table 1 contained in Section C below.

"Taxable Property" means all Parcels in CFD No. 2 which are not exempt from the levy of Special Taxes pursuant to the Act or Section E below.

"Undeveloped Property" means all Parcels of Taxable Property which are not categorized as Developed Property.

## **B. ASSIGNMENT TO LAND USE CLASSIFICATIONS AND DEVELOPMENT CATEGORIES**

For each Fiscal Year (commencing with Fiscal Year 1999-00), each Parcel of Taxable Property within CFD No. 2 shall be assigned to one of the land use classifications set forth in Table 1. The classification of any particular Parcel may change from year to year pursuant to the definitions contained herein. Each Parcel of Taxable Property shall then be categorized as either Developed Property or Undeveloped Property. All Parcels of Taxable Property shall be subject to the levy of the Special Tax at the Maximum Special Tax Rates and in accordance with the method of apportionment set forth in Sections C and D below.

Determination of the appropriate land use classification and development category for each Parcel shall be made by the Administrator, and shall be reasonably based upon a review of the Land Use Regulations applicable to each Parcel.

### **C. MAXIMUM SPECIAL TAX RATES**

The Maximum Special Tax Rates for Debt Service and Facilities and the Maximum Special Tax Rates for O & M for all classifications of Developed Property and Undeveloped Property for Fiscal Year 1999-00, are set forth in Table 1. All such Maximum Special Tax Rates shall be increased starting on July 1, 2000 and on July 1 of each subsequent year by an amount equal to two percent (2%) of the amount of such Maximum Special Tax Rates for the preceding Fiscal Year.

**Table 1**

**Maximum Special Tax Rates by Land Use Classification  
For Fiscal Year 1999-00  
(Developed Property)**

Land Use Classification	Maximum Special Tax Rate for Debt Service / Facilities (Fiscal Yr. 1999-00)	Maximum Special Tax Rate for O & M (Fiscal Yr. 1999-00)	Combined Maximum Special Tax Rate (Fiscal Yr. 1999-00)
Single Family Residential:			
Less than 2250 SF	\$460 per Parcel	\$190 per Parcel	\$650 per Parcel
2250 SF to 2600 SF	\$560 per Parcel	\$190 per Parcel	\$750 per Parcel
Over 2600 SF	\$660 per Parcel	\$190 per Parcel	\$850 per Parcel
Multi-Family Residential	\$3960 per Net Acre	\$1140 per Net Acre	\$5100 per Net Acre
Commercial/ Business	\$2640 per Net Acre	\$760 per Net Acre	\$3400 per Net Acre
Golf Course	\$0 per Net Acre	\$250 per Net Acre	\$250 per Net Acre

**Maximum Special Tax Rates by Land Use Classification  
For Fiscal Year 1999-00  
(Undeveloped Property)**

Land Use Classification	Maximum Special Tax Rate for Debt Service / Facilities (Fiscal Yr. 1999-00)	Maximum Special Tax Rate for O & M (Fiscal Yr. 1999-00)	Combined Maximum Special Tax Rate (Fiscal Yr. 1999-00)
Single Family Residential	\$1980 per Net Acre	\$570 per Net Acre	\$2550 per Net Acre
Multi-Family Residential	\$3960 per Net Acre	\$1140 per Net Acre	\$5100 per Net Acre
Commercial/ Business	\$2640 per Net Acre	\$760 per Net Acre	\$3400 per Net Acre
Golf Course	\$0 per Net Acre	\$250 per Net Acre	\$250 per Net Acre



Note: These Maximum Special Tax Rates are for Fiscal Year 1999-00, and are subject to increase in future Fiscal Years as provided above in this Section C.

In accordance with Section 53321(d) of the Government Code of the State of California, the Maximum Special Tax for each Parcel "used for private residential purposes," as defined therein, shall be calculated and thereby established by the date on which the Parcel is first subject to the Special Tax because of its use for private residential purposes, and shall thereafter be increased by an amount not to exceed 2% per year. Under no circumstances will the Special Tax levied on any parcels used for private residential purposes be increased as a consequence of delinquency or default by the owner of any other Parcel or Parcels within CFD No. 2 by more than ten percent (10%).

#### **D. METHOD OF APPORTIONMENT OF THE SPECIAL TAX TO TAXABLE PROPERTY**

Starting with Fiscal Year (1999-00) and for each subsequent Fiscal Year, the Board of Directors shall determine the total amount of Special Taxes to be levied and collected in that Fiscal Year in order to satisfy the Debt Service and Facilities Special Tax Requirement and the O & M Special Tax Requirement for such Fiscal Year. The Board of Directors shall levy the Special Tax on all Parcels of Taxable Property until it has levied the amount necessary to satisfy both the Debt Service and Facilities Special Tax Requirement and the O & M Special Tax Requirement for the Fiscal Year as follows:

##### **1. Debt Service and Facilities Special Tax Requirement.**

- (a) First: The Special Tax shall be levied on Developed Property in equal percentages up to 100% of Maximum Special Tax Rate for Debt Service and Facilities for each Parcel of Developed Property; and
- (b) Second: If additional funds are needed, the Special Tax shall be levied on Undeveloped Property in equal percentages up to 100% of Maximum Special Tax Rate for Debt Service and Facilities for each Parcel of Undeveloped Property; and
- (c) Third: If additional funds are needed, the Special Tax shall be levied on all Parcels of Developed Residential Property in equal percentages up to 100% of the Alternative Maximum Special Tax Rate; and if additional funds are needed, the Special Tax shall be levied on all Parcels of Undeveloped Residential Property in equal percentages up to 100% of the Alternative Maximum Special Tax Rate. The amount of Special Tax to be levied on each Parcel of Developed Single Family Residential Property shall be determined by multiplying the Gross Acreage of all such Parcels by the

Alternative Maximum Special Tax Rate and dividing the product by the total of the number of such Parcels. The amount of Special Tax to be levied on Parcels of Developed Multi-Family Residential Property and Parcels of Undeveloped Residential Property shall be determined by multiplying the Gross Acreage of each Parcel by the Alternative Maximum Special Tax Rate.

2. O & M Special Tax Requirement.

- (a) First: The Special Tax shall be levied on Developed Property in equal percentages up to 100% of Maximum Special Tax Rate for O & M for each Parcel of Developed Property; and
- (b) Second: If additional funds are needed, the Special Tax shall be levied on Undeveloped Property in equal percentages up to 100% of Maximum Special Tax Rate for O & M for each Parcel of Undeveloped Property.

**E. EXEMPTIONS**

Land conveyed or irrevocably offered for dedication to a public agency shall be subject to the levy of the Special Tax pursuant to Section 53317.3 or Section 53317.5 of the Government Code of the State of California.

Notwithstanding the foregoing, the Special Tax shall not be levied upon any of the following:

- 1. Property which lies within dedications for public streets, or publicly owned surface drainage channels.
- 2. Property Owners' Association Property.
- 3. Public School Property.
- 4. Park and Open Space Property.
- 5. Church Property.

**F. 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 District may collect Special Taxes at a different time or in a different manner if necessary to meet the financial obligations of CFD No. 2.

#### **G. DURATION OF SPECIAL TAX LEVIES**

Pursuant to Section 55321(d) of the Government Code of the State of California, the tax year after which no further special tax shall be levied or collected with respect to any Parcel which is used for private residential purposes to satisfy the Debt Service and Facilities Special Tax Requirement shall be Fiscal Year 2039-40.

All Parcels of Taxable Property within CFD No. 2 shall continue to be subject to the levy and collection of the Special Tax to satisfy the O & M Special Tax Requirement as long as the District operates and maintains Parks and Park Improvements and Landscape within and for the benefit of the residents of CFD No. 2.

#### **H. PREPAYMENT**

The Board of Directors may allow property owners to prepay, in whole or in part, the obligation of Parcels to pay the Special Tax with respect to the Debt Service and Facilities Special Tax Requirement, if it determines that allowing such prepayment will not adversely affect its ability to levy sufficient Special Taxes in any Fiscal Year to pay the Debt Service and Facilities Special Tax Requirement or result in the maximum amount of Special Taxes which could be levied on Parcels of Taxable Property for any Fiscal Year, based on the Maximum Special Tax Rates for Debt Service set forth in Table 1, being less than 110 percent of maximum annual debt service on the outstanding bonds of CFD No. 2.

#### **I. CANCELLATION OF ALTERNATIVE MAXIMUM SPECIAL TAX RATE**

The Board of Directors may determine that Parcels of Developed Residential Property shall not be subject to the levy of the Alternative Maximum Special Tax Rate and that such rate shall no longer be effective, if it determines, based on a review of recorded subdivision maps and other final development approvals for the development of property within CFD No. 2, that the revenues which would be produced from the levy of the Special Tax on all Parcels of Developed Property within CFD No. 2, based on the Maximum Special Tax Rates for Debt Service and Facilities, as set forth in Table 1, would be equal to at least 110% of the total of (a) maximum annual debt service on the bonds of CFD No. 2 which may then be outstanding and (b) estimated maximum annual debt service on all additional bonds which are expected to be issued for CFD No. 2. If the Board of Directors determines that the Alternative Maximum Special Tax Rate shall no longer be effective, the owners of such Parcels shall be relieved of the obligation to disclose the Alternative Maximum Special Tax Rate pursuant to Sections 53340.2 and 53341.5 of the California Government Code.