

## EXHIBIT C

### COUNTY OF SACRAMENTO COMMUNITY FACILITIES DISTRICT NO. 2006-1 (COUNTY PARKS CFD)

#### RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

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A Special Tax applicable to each Assessor's Parcel in Community Facilities District No. 2006-1 (County Parks CFD) [herein "CFD No. 2006-1"] shall be levied and collected according to the tax liability determined by the Board, through the application of the appropriate Special Tax rate, as described below. All of the property in CFD No. 2006-1, 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. 2006-1 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:

**"Accessory Residential Dwelling"** means a second residential structure for which a building permit has been issued on a Parcel of Single-Family Detached Property pursuant to County zoning regulations allowing such secondary residential units of limited size.

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

**"Administrative Expenses"** means the actual or estimated costs incurred by the County as Administrator of the CFD to determine, levy and collect the Special Taxes, including, but not limited to; legal counsel, the costs of placing and collecting installments of the Special Taxes upon the general tax rolls, salaries and benefits of County employees whose duties are directly related to administration of the CFD and the fees of consultants, preparation of required reports; and any other costs required to administer the CFD as determined by the County.

**"Administrator"** means the Administrator of the County's Municipal Services Agency or his/her designee or other person designated by the County to administer the Special Taxes according to this Rate and Method of Apportionment.

**"Assessor's Parcel"** or **"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 County Assessor of the County of Sacramento designating parcels by Assessor's Parcel number.

**“Authorized Facilities”** means those facilities that are authorized to be funded by CFD No. 2006-1.

**“Authorized Services”** means those services that are authorized to be funded by CFD No. 2006-1.

**“Board”** means the Sacramento County Board of Supervisors, acting as the legislative body of the CFD.

**“Building Permit(s)”** means a single permit or set of permits required to construct an entire structure, which structure may include standalone surface parking, common areas, landscaping, or other areas.

**“CFD”** or **“CFD No. 2006-1”** means the County of Sacramento Community Facilities District No. 2006-1 (South East County Park Improvements and Maintenance),

**“County”** means the County of Sacramento.

**“Developed Property”** means, in any Fiscal Year:

- All Parcels of Single Family Detached Property and Duplex/Halfplex Property for which Final Maps were recorded prior to June 1 of the preceding Fiscal Year
- All Parcels of Multi-Family Property for which Building Permits were issued prior to June 1 of the preceding Fiscal Year

**“Duplex/Halfplex Property”** means all Parcels of Developed Property for which Building Permits have been or, in the County’s determination, will be issued for construction of two single family residential units that share a common wall.

**“Final Map”** means a final map, or portion thereof, approved by the County pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq*) that creates individual lots for which Building Permits may be issued. The term “Final Map” shall not include any large-lot subdivision map, Assessor’s Parcel Map, or subdivision map or portion thereof, that does not create individual lots for which Building Permits may be issued, including Assessor’s Parcels that are designated as remainder parcels.

**“Fiscal Year”** means the period starting on July 1 and ending on the following June 30.

**“Maximum Special Tax”** means the maximum Special Tax determined in accordance with Section C below that can be levied on Taxable Property in any Fiscal Year.

**“Multi-Family Property”** means all Parcels of Developed Property for which Building Permits have been issued for purposes of constructing a residential structure consisting of three or more Residential Units.

**“Non-Residential Property”** means any Parcel of Taxable Property within CFD No. 2006-1 that is not Single Family Detached Property, Duplex/Halfplex Property, or Multi-Family Property.

**“Proportionately”** means that the ratio of the actual Special Tax levied to the Maximum Special Tax is equal for all Parcels of Developed Property.

**“Public Agency”** means the federal government, State of California or other local governments or public agencies.

**“Residential Unit”** means a residential dwelling unit, including but not limited to, individual single-family detached, duplex, halfplex, triplex, fourplex, townhome, condominium, and apartment units.

**“Single Family Detached Property”** means any Parcel of Developed Property for which a Building Permit has been or, in the County’s determination, will be issued for construction of a single family detached residential unit.

**“Special Tax Requirement”** means the amount of revenue needed in any Fiscal Year to pay for the following: (i) Authorized Facilities, Authorized Services, sinking fund payments and capital reserves authorized to be funded by CFD No. 2006-1, (ii) Administrative Expenses, (iii) amounts needed to cure any delinquencies in the payment of Special Taxes which have occurred or (based on delinquency rates in prior years) may be expected to occur in the Fiscal Year in which the tax will be collected.

**“Special Tax”** means any tax levied pursuant to the Act on property within CFD No. 2006-1.

**“Taxable Property”** means all Assessor’s Parcels within the boundaries of CFD No. 2006-1 which are not exempt from the Special Tax pursuant to law or Section E below.

**B. DATA COLLECTION FOR ANNUAL TAX LEVY**

Each Fiscal Year, the Administrator shall identify the current Assessor’s Parcel number for all Parcels of Taxable Property within CFD No. 2006-1. Based on review of recorded Final Maps and building permit records for property within the CFD, each Parcel of Developed Property shall be categorized as Single Family Detached Property, Duplex/Halfplex Property, or Multi-Family Property. In addition, reference shall be made to the site plan, subdivision map, condominium plan or other document approved by the County to determine the number of Residential Units on Parcels of Multi-Family Property. If any individual Assessor’s Parcel within the CFD includes a mix of both residential and non-residential land uses, the Maximum Special Tax assigned to the Parcel shall be based solely on the Residential Units on the Parcel.

**C. MAXIMUM SPECIAL TAX**

All Developed Property within the CFD shall be subject to a Special Tax that will be levied each Fiscal Year to pay the Special Tax Requirement. Table 1 below identifies the Maximum Special Tax rates that shall apply to all Parcels of Developed Property within CFD No. 2006-1:

**TABLE 1  
MAXIMUM SPECIAL TAX RATES  
(FISCAL YEAR 2006-07) \***

<b>Land Use Category</b>	<b>Maximum Special Tax (Fiscal Year 2006-07) *</b>
Single Family Detached Property	\$400 per Residential Unit
Accessory Residential Dwelling	\$290 per Residential Unit
Duplex/Halfplex Property	\$400 per Residential Unit
Multi-Family Property	\$290 per Residential Unit

*\* Beginning January 2007 and each January thereafter, the Maximum Special Tax shall be adjusted by applying the lesser of (i) the increase, if any, in the Consumer Price Index of the San Francisco-Oakland-San Jose area for all urban consumers that has occurred since January of the prior year, or (ii) five percent (5%). Each annual adjustment of the Maximum Special Tax shall be come effective on the subsequent July 1.*

**D. METHOD OF LEVY AND COLLECTION OF SPECIAL TAX**

The Maximum Special Tax in CFD No. 2006-1 shall be levied each Fiscal Year unless and until the County makes a determination in any Fiscal Year that the revenues generated from levy of the Maximum Special Tax exceed the Special Tax Requirement for that Fiscal Year. If such a determination is made, the Special Tax shall be levied Proportionately on each Parcel of Developed Property in CFD No. 2006-1 up to 100% of the Maximum Special Tax for Developed Property determined pursuant to Section C above until the amount levy is equal to the Special Tax Requirement.

The Special Tax for CFD No. 2006-1 shall be collected at the same time and in the same manner as ordinary ad valorem property taxes provided, however, that the County may (under the authority of Government Code Section 53340) collect Special Taxes at a different time or in a different manner if necessary to meet CFD No. 2006-1 financial obligations and the Special Tax shall be equally subject to foreclosure if delinquent.

**E. LIMITATIONS**

Notwithstanding any other provision of this Rate and Method of Apportionment of Special Tax, no Special Tax shall be levied on property owned by a Public Agency or Non-Residential Property within CFD No. 2006-1. In addition, any Parcel designated as a landscape corridor, lake, wetland, school, park, detention/water quality basin, levee, site for power lines, utility

easement, or other such use, as determined by the Administrator, shall be exempt from the Special Tax levy.

**F. INTERPRETATION OF SPECIAL TAX FORMULA**

The County reserves the right to make minor administrative and technical changes to this document that do not materially affect the rate and method of apportioning Special Taxes. The interpretation and application of any section of this document shall be left to the Administrator's discretion. Interpretations may be made by the County by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment.