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GOODWIN CONSULTING GROUP

PUBLIC FACILITIES FINANCING PLAN

METRO AIR PARK
COUNTY OF SACRAMENTO

Prepared for the Hearing of the
Board of Supervisors
On December 11, 2007

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COUNTY OF SACRAMENTO
METRO AIR PARK PROJECT
PUBLIC FACILITIES FINANCING PLAN

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EXECUTIVE SUMMARY

A. METRO AIR PARK PUBLIC FACILITIES FINANCE PLAN 2006 UPDATE

The Metro Air Park Public Facilities Finance Plan 2006 Update ("2006 Finance Plan") amends the Metro Air Park Public Facilities Finance Plan that was adopted by the County of Sacramento ("County") Board of Supervisors on March 2, 2004 ("2004 Finance Plan"). The 2006 Finance Plan incorporates updated facilities cost estimates for the Metro Air Park project ("Metro Air Park" or "MAP"), as outlined in the 2006 Update of Metro Air Park Public Facilities Master Plan ("2006 Master Plan") prepared by Stantec Consulting, Incorporated. The 2006 Master Plan and, consequently, the 2006 Finance Plan also take into account up-to-date infrastructure requirements needed to serve development within the MAP project. Land use estimates are current as of October 2006.

B. PROJECT SUMMARY

Metro Air Park is a high-quality, multi-use, commercial and industrial business park proposed for development on a 1,892-acre area immediately east of and adjacent to the Sacramento International Airport. Land uses planned for MAP include light manufacturing, distribution, airport related, high-tech and R&D, corporate and professional office, support retail and services, hotel, an 18-hole golf course with club house, driving range, and ancillary structures, and other open space areas.

The original Metro Air Park Public Facilities Financing Plan ("2000 Finance Plan"), which was adopted by the Board of Supervisors on September 26, 2000, and its subsequent updates represent the culmination of years of planning and engineering to prepare MAP for development. Pursuant to County Ordinance No. 93-0045 adopted in August 1993 and amended twice in 1998 (98-0002 and 98-0020), commercial and industrial development proposed for MAP cannot occur until a financing plan is approved by the Board of Supervisors and the recommended financing mechanisms are implemented. Based on input from the 2006 Master Plan, the 2006 Finance Plan outlines a strategy to fund remaining backbone infrastructure and other public facilities needed to serve MAP and summarizes the next steps required to implement that strategy.

C. PROJECT PHASING

During preparation of the 2004 Finance Plan, Economic Research Associates ("ERA"), a market absorption consultant retained by the County to provide a comprehensive evaluation of the project's absorption potential, estimated that between 730 and 974 net acres would be developed through the year 2032. By applying a straight-line projection to absorb the remaining acres, it would take more than 60 years to reach buildout in MAP in each zone.

However, also during preparation of the 2004 Finance Plan, Giannelli, Jarrette & Waters, LLC, an appraiser retained by the County, predicted an accelerated absorption schedule for development within the MAP area. Giannelli, Jarrette & Waters, LLC prepared an appraisal report for Metro Air Park Community Facilities District 2000-1 ("CFD No. 2000-1"), dated July 29, 2003, that assumes buildout will occur within 25 years.

For purposes of the 2004 Finance Plan, both absorption schedules were analyzed, and it was determined to be more conservative to use the appraiser's absorption schedule to determine the MAP impact fee. The 2006 Finance Plan draws upon this methodology, and therefore, all of the analysis included in this 2006 Finance Plan, including projected bonding capacity and net impact fees, is based on the accelerated absorption scenario.

D. Soft Cost Bond Issue

Some of the planning and design costs related to the infrastructure described in the 2006 Master Plan have been funded with bonds issued for the Metro Air Park Community Facilities District No. 1998-1 ("CFD No. 1998-1"), which was formed in September 1998. These costs, together with costs already incurred to prepare the initial Master Plan and other engineering and contingency costs, are referred to as the "soft costs" and total approximately $5.0 million. CFD No. 1998-1 issued soft cost bonds in the amount of $5.3 million in December 1998. The maximum special tax required to support debt service on the soft cost bonds has been set at $510 per acre and approximately 95% of the land in MAP is included in the soft cost financing district.

Both the 2000 Finance Plan and the 2004 Finance Plan anticipated that bonds issued through the soft cost district would be refunded with bonds issued by CFD No. 2000-1, which was formed to fund MAP infrastructure costs. However, County staff, in association with MAP developers, have determined that it is highly unlikely the bonds issued through the soft cost district will be retired prior to the original term of the bonds. Consequently, the estimated costs associated with refunding the soft cost bonds have been eliminated from the 2006 Finance Plan. The annual special tax levy required to support debt service on the soft cost bonds will continue until all soft cost bonds are retired.

E. Property Owner Participation

All landowners in MAP were allowed the opportunity to participate in CFD No. 2000-1, the district formed to finance public infrastructure costs in MAP. Several landowners elected not to join the initial financing district; however, it is anticipated that these owners will eventually annex into the financing district and be required to pay both their fair share of costs previously funded and their share of future phases of facilities that have yet to be constructed. As annexations take place, annual special taxes throughout the CFD can be decreased to account for the additional special tax revenues generated by the newly annexed property, or additional capacity to fund debt-financed or pay-as-you-go facilities will be available, which could lower the MAP impact fee or fund cost increases. The landowners that have agreed to participate in the

Mello-Roos financing own approximately 1,323 acres of net developable property, which is estimated to be more than 94% of the total net taxable acreage within the project.

For purposes of this report, impact fees are calculated assuming that all developable property in MAP ultimately develops, including property that does not participate in the CFD initially but annexes later. The total net taxable developable acreage used for purposes of calculating project-wide fees is 1,407. Should it be determined in the future that certain property will never develop, the MAP fee justification study and fee ordinance can be modified to reflect that new information.

F. FACILITY COST ALLOCATION SUMMARY

The estimated costs of all public facilities required to support development on the site are allocated to each of the six zoning districts in MAP based on criteria used to establish the benefit that each zoning district derives from the facilities. Table ES-1 following the executive summary recaps the cost allocation analysis. A total of approximately $282.4 million is required, which includes funding for transportation, sewer, drainage, water, light rail, and fire protection facilities. Funding for habitat conservation program fees and County staff and consultant costs are also included. Since this cost includes approximately $17.5 million to be funded by the Developer and Sacramento International Airport, subject to a reimbursement agreement with CSD-1, this analysis funds the remaining $264.9 million. After accounting for an additional 10% overall project cost contingency, this analysis funds nearly $291.3 million. These costs are net of Sacramento International Airport's share of the sewer system costs, estimated to be $1.2 million. The total cost translates into allocations that range from $141,574 per acre in Zoning District 2 (airport-related industrial land uses) to $347,312 per acre in Zoning District 4 (office land uses), assuming that all property in MAP develops.

G. FEE-FUNDED VS. DEBT-FINANCED FACILITIES

Most often, fee programs cannot keep pace with facility requirements because facility costs occur in major increments, and often facilities must be installed before development even begins. For MAP, fee revenue will not be available for the first phase of infrastructure which is required before any development can occur, nor will it be available to fully fund infrastructure needed at various intervals of development. As such, debt financing will be required to close funding gaps and generate lump-sum proceeds to keep up with these facility demands. Consequently, this 2006 Finance Plan involves a combination of fee revenue and debt financing to fund the cost of infrastructure in MAP.

H. SUMMARY OF COMMUNITY FACILITIES DISTRICT ANALYSIS

The mechanism that has been implemented by the County to provide debt financing is a Mello-Roos Community Facilities District ("CFD"). The Mello-Roos Community Facilities Act was enacted by the California State Legislature in 1982 to provide an alternative means of financing public infrastructure and services subsequent to the passage of Proposition 13 in 1978. The Act, which complies with Proposition 13 and may still be used effectively since the passage of Proposition 218, permits cities, counties, and special districts to create defined areas within their jurisdiction and, by a two-thirds vote within the defined area, impose special taxes to pay for the public improvements and services needed to serve that area.

This 2006 Finance Plan includes funding from CFD No. 2000-1, which was formed by the County in September 2000 to sell bonds to finance MAP facilities. The first bond issue was privately placed with Metro Air Park Investors L.P, a California limited partnership, in 2004. Two subsequent bond issues are also anticipated to be privately placed with Metro Air Park Investors L.P. Net construction proceeds from these three bond issues will be $106.0 million, which is approximately 36% of the total facility costs for MAP. Although no additional bond issues are anticipated in the 2006 Finance Plan, in the event that additional bonds are sold, they are expected to be sold on the public market.

A summary of the Mello-Roos cash flow analysis is presented in Table ES-2 following this Executive Summary. The present value of landowner carrying costs – special taxes levied on undeveloped property – is estimated to be $43.1 million, assuming a 10% discount rate. The actual amount paid by undeveloped property will depend on when bonds are issued and how quickly acreage is developed within MAP. If absorption occurs more slowly than estimated in the appraiser's absorption schedule (as anticipated by ERA), the special taxes levied on undeveloped property will increase.

I. SUMMARY OF FINANCING STRATEGY

The fundamental financing strategy for MAP is to utilize a combination of fee revenue and debt financing to fund the facilities needed in the Project. CFD No. 2000-1 was formed so that bonds could be issued to fund facilities needed prior to commencement of development, as well as to fill funding gaps that may occur in future years. By maximizing the use of debt financing when fee revenue is insufficient, subject to the maximum special tax rates adopted for CFD No. 2000-1, the MAP impact fees have been reduced. The 2006 Finance Plan offers an efficient and practical program that combines these two funding sources and ensures that financing is available to meet infrastructure demands as they arise. CFD No. 2000-1 will also fund annual ongoing landscaping maintenance, drainage and water supply maintenance, and traffic monitoring costs.

The essence of the financing strategy is presented in Table ES-3, which summarizes the net impact fees and annual special taxes by zoning district. Net MAP fees cover all public facilities not assumed to be debt-financed. Since it is assumed that CSD-1 will reimburse developers for certain CSD-1 sewer facilities, MAP will be required to annex into CSD-1, and landowners in MAP will be subject to CSD-1 fees. Sewer treatment facilities are also included in the public facilities costs in the 2006 Finance Plan, because it is assumed that MAP will annex into SRCSD, pay applicable SRCSD fees, and utilize SRCSD treatment facilities. SCWA Zone 50 water fees will also be incurred by MAP development in order to tie into the City of Sacramento's water system. Zone 50 fee revenue will be used to purchase additional increments of capacity necessary to serve MAP development. In addition, MAP will be subject to a school fee, which is currently $0.42 per square foot of building space; as such, this fee is included in Table ES-3. Total net fees for MAP range from a low of $85,475 per acre in Zoning District 2 to a high of $252,495 per acre in Zoning District 4.

The maximum facilities special tax in CFD No. 2000-1 ranges from a low of $4,859 in Zoning Districts 1, 2 and 6 to a high of $9,313 in Zoning District 5 for fiscal year 2006-07. In addition, a services special tax will be levied to fund annual maintenance costs. The estimated services special tax ranges from a low of $459 per acre in Zoning District 2 to a high of $838 per acre in Zoning District 5 for fiscal year 2006-07. The annual special taxes appear to be competitive and, as presented on Table ES-2, are estimated to be below the two percent threshold stipulated in the County land-secured financing policies when combined with property taxes and Sacramento Area Flood Control Agency assessments.

Table ES-4 illustrates the financing strategy for Metro Air Park in the form of a public facilities financing matrix. Public facilities included in the 2006 Master Plan are listed with other costs that must be funded, including a reimbursement of County staff costs and costs associated with SRCSD, CSD-1, SCWA Zone 50, and school facilities. Funding sources include long-term debt instruments, the proposed MAP fee, and fees paid to various public agencies. Development fees will be paid to the County and other agencies as properties develop.

The results of the financial analysis provide a preliminary measure of the ability for land uses proposed within MAP to fund required public facilities. This analysis also provides MAP landowners and developers with figures that can be factored into an estimate of potential returns from their development proposals.

Table ES-1
Metro Air Park
Cost Allocation/Gross Impact Fee Summary /1

	Roadway Facility Costs	Freeway Facility Costs	Drainage Facility Costs	Sewer (Non-CSD-1) Facility Costs	Water Facility Costs	Miscellaneous Facility Costs /2	Total
Facility Costs	$85,251,003	$74,649,131	$56,997,896	$7,379,868	$32,291,733	$34,768,094	$291,337,725
Zoning Districts	***Cost Allocation per Acre of Land***						
Zone 1 Distribution/Manufacturing	$32,857	$28,771	$39,537	$3,407	$14,695	$24,713	$143,978
Zone 2 Airport Related	$31,671	$27,733	$39,537	$3,226	$14,695	$24,713	$141,574
Zone 3 R&D/High Tech	$58,532	$51,253	$41,863	$6,293	$33,566	$24,713	$216,221
Zone 4 Office & Professional	$128,755	$112,743	$41,398	$8,822	$30,881	$24,713	$347,312
Zone 5 Retail/Hotel/Other	$105,360	$92,258	$41,863	$7,944	$34,909	$24,713	$307,047
Zone 6 Golf Course Clubhouse /3	$40,912	$35,824	$41,863	$11,097	$14,918	$24,713	$169,327
	Cost Allocation per Building Square Foot or per Hole						
Zone 1 Distribution/Manufacturing	$2.32	$2.03	$2.79	$0.24	$1.04	$1.75	$10.18
Zone 2 Airport Related	$2.36	$2.07	$2.95	$0.24	$1.10	$1.84	$10.57
Zone 3 R&D/High Tech	$4.48	$3.92	$3.20	$0.48	$2.57	$1.89	$16.55
Zone 4 Office & Professional	$6.68	$5.85	$2.15	$0.46	$1.60	$1.28	$18.01
Zone 5 Retail/Hotel/Other	$6.39	$5.59	$2.54	$0.48	$2.12	$1.50	$18.61
Zone 6 Golf Course Clubhouse /3	$11,365	$9,951	$11,629	$3,082	$4,144	$6,865	$47,035

/1 Assumes no reduction for debt financing and funds total facility costs, including the 10% overall project contingency

/2 Miscellaneous costs include transit facilities, fire service facilities, mitigation fees for the Giant Garter Snake and the Swainson Hawk, staff costs, and soft cost bond refunding.

/3 Cost allocation for Zoning District 6 applies only to the five acres associated with the golf course clubhouse, driving range, and ancillary structures.

Source: Goodwin Consulting Group, Inc.

12/11/2007

Table ES-2
Metro Air Park
Summary of CFD Cash Flow Analysis

Development	
First Year of Commercial/Industrial Development	2008

Bond Issues	**2004**	**2007**	**2009**	**Total 3 Bond Issues**
Long-Term Bonds				
Facilities Costs (2006$)	$63,472,190	$39,499,999	$3,040,001	$106,012,190
Facilities Costs in Future Dollars	$63,472,190	$39,499,999	$3,321,891	$106,294,080
Term (Years)	30	28	26	-
Interest Rate	7.0%	7.0%	7.0%	-
Capitalized Interest	None	None	None	-
Issuance Costs (% of Bonds)	0.5%	0.8%	6.5%	-
Reserve Fund (% of Bonds)	0.0%	0.0%	0.0%	-
Total Bond Sales Required	$63,460,000	$39,830,000	$3,550,000	$106,840,000

CFD No. 2000-1 Estimated Maximum Annual Special Tax Rates per Acre

		Facilities Special Tax (2006-07)	**Services Special Tax (2006-07) /1**	**Annual Burden as % of Developed Value Incl. Base Property Tax and SAFCA Assessments**
Zone 1	Distribution/Manufacturing	$4,859	$476	1.34%
Zone 2	Airport Related	$4,859	$459	1.36%
Zone 3	R&D/High Tech	$7,559	$676	1.42%
Zone 4	Office & Professional	$8,504	$779	1.22%
Zone 5	Retail/Hotel/Other	$9,313	$838	1.31%
Zone 6	Golf Course Clubhouse /2	$4,859	$509	N/A

Present Value of Special Taxes Paid by Undeveloped Property $43,052,761

(The actual amount paid by undeveloped property will be significantly impacted by the timing of bond issues and the timing of development. Present Value estimate assumes a 10.0% discount rate.)

/1 Actual services special tax to be determined at a later date. The maximum services special tax shown, subject to an annual inflator, may be reduced in the future as a result of the elimination of the water supply maintenance cost component of the services tax.

/2 Cost allocation for Zoning District 6 applies only to the five acres associated with the golf course clubhouse, driving range, and ancillary structures.

Source: Goodwin Consulting Group, Inc. *12/11/2007*

Table ES-3
Metro Air Park
Net Impact Fee and Special Tax Summary

Zoning District		Average FAR	MAP Fees per Acre	CSD-1 Fees per Acre	SRCSD Fees per Acre	SCWA Fees per Acre	School Fees per Acre	Total Fees per Acre	Special Taxes: Annual Facilities Special Tax per Acre	Special Taxes: Estimated Annual Services Special Tax per Acre /1	Special Taxes: Estimated Annual Special Tax per Acre
Zone 1	Distribution/Manufacturing		$87,508	$11,118	$19,805	$2,997	$5,941	$127,369	$4,859	$476	$5,336
Zone 2	Airport Related		$85,475	$11,118	$18,755	$2,997	$5,627	$123,971	$4,859	$459	$5,318
Zone 3	R&D/High Tech		$137,885	$11,118	$18,294	$2,997	$5,488	$175,782	$7,559	$676	$8,235
Zone 4	Office & Professional		$252,495	$11,118	$26,994	$2,997	$8,098	$301,703	$8,504	$779	$9,283
Zone 5	Retail/Hotel/Other		$215,426	$11,118	$23,093	$2,997	$6,928	$259,562	$9,313	$838	$10,152
Zone 6	Golf Course Clubhouse		$105,780	$11,118	$5,040	$2,997	$1,512	$126,447	$4,859	$509	$5,368
					Average Fees & Annual Special Taxes per Building Square Foot						
		Average FAR									
Zone 1	Distribution/Manufacturing	0.32	$6.19	$0.79	$1.40	$0.21	$0.42	$9.00	$0.34	$0.03	$0.38
Zone 2	Airport Related	0.31	$6.38	$0.83	$1.40	$0.22	$0.42	$9.25	$0.36	$0.03	$0.40
Zone 3	R&D/High Tech	0.30	$10.55	$0.85	$1.40	$0.23	$0.42	$13.45	$0.58	$0.05	$0.63
Zone 4	Office & Professional	0.44	$13.10	$0.58	$1.40	$0.16	$0.42	$15.65	$0.44	$0.04	$0.48
Zone 5	Retail/Hotel/Other	0.38	$13.06	$0.67	$1.40	$0.18	$0.42	$15.74	$0.56	$0.05	$0.62
Zone 6	Golf Course Clubhouse	-	-	-	-	-	-	-	-	-	-

/1 Actual Services special tax to be determined at a later date.

Source: Goodwin Consulting Group, Inc.

12/11/2007

Table ES-4
Metro Air Park
Public Facilities Financing Matrix /1

Facility	*Mello-Roos Long-Term Bonds /2*	*Metro Air Park Fees*	*CSD-1 Fees*	*SRCSD Fees*	*SCWA Fees*	*School Facilities Fees*	*Total Funding /3*
Roadway Facilities	$22,353,309	$66,042,579					$88,395,888
Freeway Facilities	$5,588,351	$72,513,819					$78,102,170
Drainage Facilities	$44,177,535	$13,461,379					$57,638,914
Sewer (Non-CSD-1) Facilities /4	$3,217,512	$4,370,474					$7,587,986
Water Facilities	$21,881,922	$10,930,302					$32,812,223
Miscellaneous	$10,947,358	$25,011,773					$35,959,131
Subtotal Facility Costs and Funding	$108,165,987	$192,330,325					$300,496,312
Less: Admin Costs (5%)							($9,158,587)
Less: Surplus at Buildout							($0)
Net Facility Costs Funded							**$291,337,725**
CSD-1 Fees			$15,641,914				$15,641,914
SRCSD Sewer Treatment Facilities				$29,184,400			$29,184,400
SCWA Zone 50 Fees					$4,216,479		$4,216,479
School Facilities						$8,755,320	$8,755,320
Total Facility Costs Funded							**$349,135,838**

/1 Does not include affordable housing fees.

/2 Includes $2.2 million in direct funding from special tax revenues for fiscal year 2006-07

/3 Includes a 10% overall project cost contingency

/4 CSD-1 sewer facilities will be constructed by the developers, who will then be directly reimbursed by CSD-1.

Source: Goodwin Consulting Group, Inc. *12/11/2007*

I. INTRODUCTION AND ORGANIZATION

A. METRO AIR PARK PUBLIC FACILITIES FINANCE PLAN 2006 UPDATE

The Metro Air Park Public Facilities Finance Plan 2006 Update ("2006 Finance Plan") amends the Metro Air Park Public Facilities Finance Plan that was adopted by the County of Sacramento ("County") Board of Supervisors on March 2, 2004 ("2004 Finance Plan"). The 2006 Finance Plan incorporates updated facilities cost estimates for the Metro Air Park project ("Metro Air Park" or "MAP"), as outlined in the 2006 Update of Metro Air Park Public Facilities Master Plan ("2006 Master Plan") prepared by Stantec Consulting, Incorporated. The 2006 Master Plan and, consequently, the 2006 Finance Plan also take into account up-to-date infrastructure requirements needed to serve development within the MAP project. Land use estimates are current as of October 2006.

B. PURPOSE OF REPORT

The 2006 Finance Plan has been prepared to evaluate the ability of land uses proposed in the Metro Air Park project to fund required public facilities. The MAP project is planned to accommodate a segment of long-term commercial and industrial growth in the County. Likewise, the 2006 Finance Plan is a long-term look at the burdens that will be associated with funding infrastructure as the project develops. In general, this 2006 Finance Plan does the following:

- Describes the proposed land uses and project phasing assumptions
- Summarizes public facilities required to serve the project
- Summarizes the costs of required public facilities and allocates the costs to proposed land uses based on benefit
- Outlines the phasing of public facilities needed to keep pace with projected development
- Considers a combination of impact fees and debt financing to fund public facilities as they are needed
- Identifies the total one-time burdens (impact fees) and annual burdens (special taxes) that will be needed to implement the 2006 Finance Plan
- Discusses future steps associated with implementation and administration of the financing plan
- Includes the Rate and Method of Apportionment of Special Tax for Community Facilities District No. 2000-1 ("CFD No. 2000-1")

The 2006 Finance Plan represents the culmination of a cooperative process that involved public and private participants with interests in MAP. The 2006 Finance Plan will serve as a blueprint to guide individual development applications and ensure that future development conforms to the strategy outlined in this finance plan. It must be recognized that the 2006 Finance Plan is a **test** of overall feasibility. As development in MAP progresses, the timing and mix of costs and funding sources may change. The assumptions and results are estimates at this time and actual results may be different. However, regardless of the extent to which proposed financing mechanisms are used or other financing mechanisms are introduced later in the project, the feasibility of the overall burden has been evaluated in detail. The public review and approval process can continue with an understanding of the financial burdens associated with development of MAP – as set forth in the Metro Air Park Land Use Plan, Sacramento County Ordinance No. SZC 93-0045 (as amended by Ordinance Nos. 98-002 and 98-0020), the Metro Air Park Public Facilities Master Plan ("Master Plan"), and other related documents.

C. PROJECT DESCRIPTION

MAP consists of approximately 1,892 acres in a rectangular configuration located east of and adjacent to the Sacramento International Airport. Interstate 5 forms the southern boundary, Elverta Road forms the northern boundary, Power Line Road forms the western boundary next to the airport, and Lone Tree Road forms the eastern boundary. Downtown Sacramento is approximately seven miles southeast, and the City of Woodland is approximately nine miles west of MAP.

In August 1993, the Sacramento County Board of Supervisors adopted Ordinance No. SZC 93-0045 ("Ordinance") to allow development of MAP as a high-quality, multi-district, industrial business park. MAP is expected to include approximately 1,402 acres of light manufacturing distribution, airport-related, high-tech/R&D, office, hotel, and limited support retail development, an 18-hole golf course with clubhouse and driving range, and other open space areas. This balanced mix of land uses is designed to foster economic viability, complement activity at the airport, and accommodate drainage and wildlife concerns. Table A-1 in Appendix A summarizes the MAP land uses that are factored into the financial analysis presented below.

D. REPORT ORGANIZATION

The remainder of the 2006 Finance Plan has been organized into the following four chapters:

Chapter II, Land Use Assumptions: provides a breakdown of anticipated land uses in MAP, estimated land and finished building values, and absorption assumptions for the project.

Chapter III, Facility Needs, Cost Estimates, and Benefit Allocation: summarizes the public facilities required to serve MAP, identifies estimated costs for each facility category, and determines the fair share cost of each facility by land use based on the application of a benefit methodology.

Chapter IV, Financial Analysis: describes the public facility phasing plan and analyzes the timing of infrastructure costs relative to fee revenues, discusses financing mechanisms proposed to fund required public facilities, presents the results of the financial analysis, and summarizes the infrastructure financing strategy.

Chapter V, Implementation and Administration: describes the ongoing monitoring program and future County action items associated with implementation and administration of the 2006 Finance Plan and CFD No. 2000-1.

In addition, the 2006 Finance Plan includes the following four appendices:

Appendix A - Land Use, Absorption, Cost, and Benefit Unit Assumption Tables: includes summary tables that contain detailed assumptions related to land uses in MAP, the absorption schedule used in the 2006 Finance Plan; facility costs and phasing assumptions, and benefit units used to allocate facility costs among land uses in MAP.

Appendix B - Cost Allocation Analysis: includes tables that show the gross cost allocation to each land use based on benefit, a summary of the gross fees for each facility classification – excluding any debt financing, and a summary of gross fees (assuming no debt financing) along with other fees that will be levied on development in MAP.

Appendix C - Financial Analysis: includes the gross cash flow analysis with phased facility costs, available fee revenue, and debt financing to supplement fee revenue; the Mello-Roos CFD analysis; a summary of net MAP fees and special tax rates; and a cost funding matrix for each facility classification.

Appendix D – Rate and Method of Apportionment of Special Tax: sets forth the maximum special tax rates and manner of apportioning special taxes within the County of Sacramento Metro Air Park Community Facilities District No. 2000-1.

II. LAND USE ASSUMPTIONS

A. LAND USES

Metro Air Park is planned as a comprehensive business park with a distinctive identity reflecting its relationship to the Sacramento International Airport. Organized into six specific zoning districts pursuant to the Ordinance, MAP includes a variety of commercial and industrial land uses, as described further below.

Zoning District 1, Light Manufacturing and Distribution: Generally planned around the outside portions of MAP along the eastern, northern, and parts of the western boundaries, Zoning District 1 is anticipated to be the largest zone, consisting of approximately 519 net acres. This district is intended to include light industrial uses such as fabrication and assembly of computer-related materials and products or storage and distribution of raw and finished inventories.

Zoning District 2, Airport Related: Zoning District 2 covers approximately 275 net acres on the west side of MAP adjacent to the airport. Zoning District 2 will allow all land uses included in Zoning District 1 as well as airport-related land uses.

Zoning District 3, High-Tech/R&D: Concentrated in the northern section of MAP and surrounded by the golf course, Zoning District 3 is estimated to include approximately 162 net acres for high-technology and research/development. A small core area at the intersection of Metro Air Parkway and new Road A is designated for well-designed and controlled high-tech office space and limited support retail. The larger area surrounding the core area is intended to provide more space for larger high-tech/R&D companies, including those performing limited manufacturing and assembly of products. This larger area may also include auto-related uses such as service stations and car washes.

Zoning District 4, Professional/Corporate: Two sections of Zoning District 4 on either side of the Metro Air Parkway interchange with Interstate 5 total approximately 117 net acres. Large corporate and professional offices and related uses in a campus-like setting are permitted in this district.

Zoning District 5, Office/Retail/Hotel: Zoning District 5 is divided into three distinct areas in the southern and central sections of MAP and totals approximately 331 net acres. The small core area at the intersection of Metro Air Parkway and Elkhorn Boulevard is intended to serve as the focus of business activity by providing for small office uses and limited retail/service uses for visitors and employees. It is envisioned to have direct connections to surrounding districts, the open space system, and the future light rail transit system. The largest section of Zoning District 5 is an area that completely surrounds the core area and is a visually prominent location at the main gateway off Interstate 5. This area will provide office space, retail and service uses, some auto-related uses, and most likely a first class conference hotel and a budget motel. Another area in this district is north of the core area and generally in the center of MAP; it is intended to provide a variety of general and professional office uses and supplemental services.

Zoning District 6, Recreation and Open Space: This district includes the 18-hole golf course, club house, and driving range, and open space. This area is intended to meet on-site drainage requirements as well.

Table A-1 in Appendix A provides a breakdown of the zoning districts and other land uses that make up the 1,892 acres in Metro Air Park.

B. ESTIMATED MARKET VALUES

Based on discussions with developers in MAP, estimated market values were determined for the six zoning districts. The market values represent 2006 prices for properties with the following two major characteristics:

- Quality of development that compares equally to that of competing areas
- Annual special taxes or assessments that are of similar amounts to those in competing areas

The values assumed in the analysis are shown in Table A-1 of Appendix A. They range from a low of $110 per square foot of developed building space for Zoning Districts 1 and 2 to a high of $215 per square foot of developed building space for corporate and professional office development in Zoning District 4.

C. PROJECT PHASING

During preparation of the 2004 Finance Plan, the County retained a market absorption consultant, Economic Research Associates (ERA), to conduct a comprehensive market study of land uses in MAP. ERA submitted their final report in March 2003, which included absorption estimates to the year 2032. ERA concluded that, by 2032, between 730 and 974 of the 1,407 acres in MAP would be absorbed. By applying a straight-line projection to absorb the remaining acres, it would take more than 60 years to reach buildout in MAP in each zone.

At the same time, the County also retained an appraiser, Giannelli, Jarrette & Waters (GJW), to determine the market value of the property within CFD No. 2000-1. The appraisal excludes approximately 84 acres of land that are currently not within the boundaries of CFD No. 2000-1. For purposes of the discounted cash flow analysis, GJW concluded that all acreage in MAP would be absorbed within 25 years after development commences within the project.

Due to the substantial difference in the conclusions of the two studies, both absorption scenarios were analyzed as part of preparation of the 2004 Finance Plan. The analysis determined that using the accelerated absorption schedule from the GJW appraisal was more conservative from the County's perspective. Because the ERA absorption was substantially longer than the 30-year bond term used in the Mello-Roos analysis, the first two bond issues had retired before all infrastructure was funded. Therefore, the special taxes that were paying debt service on the initial bond issues could be "recycled" and used to secure debt service on more bonds issued in future years. Therefore, the ERA analysis resulted in substantially more infrastructure being funded from bond proceeds, which resulted in net impact fees that were approximately 45% lower than those calculated using the GJW absorption. If the County adopted the lower impact fees and buildout occurred prior to retirement of the first two bond issues, the fees would not be sufficient to keep up with the timing of infrastructure costs. This shortfall would delay reimbursement to developers who constructed infrastructure, but even more importantly, the deficiency in fee revenues would not allow the County to keep up with funding improvements to State Route 99, Interstate 5, and other later phase public projects that will be needed to accommodate the impacts of development in MAP.

As a result of comparing the two absorption scenarios, analysis included in the 2004 Finance Plan was based on the GJW accelerated absorption schedule. The analysis included in this 2006 Finance Plan, including projected bonding capacity and net impact fees, is also based on GJW's accelerated absorption scenario.

The GJW absorption schedule used in the 2004 Finance Plan assumed absorption would begin in calendar year 2006. The 2006 Finance Plan delays the start of absorption to calendar year 2008. As discussed in Section V below, the County will conduct regular updates of the Metro Air Park Finance Plan, which can take into account actual absorption rates within MAP. The timing of Mello-Roos bond issues and the net MAP impact fee may be adjusted in future years if actual absorption varies substantially from the schedule presented in Table A-2 in Appendix A.

III. FACILITY NEEDS, COST ESTIMATES, AND BENEFIT ALLOCATION

A. DEVELOPMENT UPDATE

For MAP to develop into a thriving, premier business park according to the standards articulated in the MAP Ordinance, an assortment of public facilities and backbone infrastructure must be constructed. On September 29, 2003, Metro Air Park, LLC began mass grading operations after securing authorization to proceed from federal, state, and local agencies. The authorization required purchase of the 321-acre Huffman Ranch located in the Sutter County portion of the Natomas Basin for Swainson's Hawk mitigation (200 acres) and MAPHCP compliance for MAP public improvements. As of October 2006, the following projects have been completed and reimbursed from the Series 2004A bond proceeds:

- Detention/water quality Basin No. 1 within the open space south of Meister Way
- Detention/water quality Basin No. 2 within the open space north of Meister Way
- Detention/water quality basins and open channels within the golf course
- Earthwork balance, improvements for the highline canal, and an irrigation station to serve various off-site parcels
- Construction of a new pump station sump and outfall and miscellaneous pump installations
- Payment of fees to mitigate for loss of Giant Garter Snake and Swainson's Hawk habitat

In addition to the facilities identified above, the following facilities are currently under construction and are approximately 25% complete:

- Construct two lanes of Metro Parkway and a median with partial landscaping, as well as ancillary water, sewer, and drainage improvements, in order to provide a two-lane arterial roadway from the north limits of the I-5 interchange to Elverta Road
- Construct two lanes of Elkhorn Boulevard and a median with partial landscaping, as well as ancillary water, sewer, and drainage improvements, in order to provide a two-lane arterial roadway from 600 lateral feet west of Metro Parkway to Lone Tree Road

The County is in the process of completing initial phases of interchange improvements at Interstate 5 and Metro Parkway as well as intersection widening at State Route 99 and Elverta Road.

B. SUMMARY OF COST ESTIMATES

The MAP Ordinance provides that no development will be permitted until a comprehensive public facilities financing plan is approved by the Board of Supervisors and the recommended financing mechanisms are implemented. The Spink Corporation prepared a Public Facilities Master Plan, which was approved by the Board of Supervisors in 2000 and served as the basis for the 2000 Finance Plan that was approved by the Board of Supervisors in September 2000. A subsequent Public Facilities Master Plan, prepared by Stantec Consulting (which acquired the Spink Corporation), was adopted in 2004 in conjunction with the 2004 Finance Plan. Now, as part of the effort to update the 2006 Finance Plan, Stantec Consulting has prepared the 2006 Master Plan, which is comprised of two volumes that summarize the updated facility components and cost estimates for MAP. Volume 1 describes the backbone roadway, freeway, storm drainage, sanitary sewer, water, public transit, fire protection facilities, Habitat Conservation Program ("HCP") for mitigation of both the Giant Garter Snake and Swainson's Hawk, as well as other miscellaneous facilities or costs required to support development of MAP. Cost summaries and facility phasing assumptions are also provided in Volume 1. Volume 2 includes detailed cost estimates for each capital improvement project. Specific components of the 2006 Master Plan have been coordinated with the following agencies:

- Sacramento Regional Transit District
- Caltrans
- Sacramento Fire Department
- Reclamation District 1000 ("RD-1000")
- Natomas Central Mutual Water Company
- Sacramento County Water Resources Division
- Sacramento County Water Quality Division, including Sacramento Regional County Sanitation District ("SRCSD") and County Sanitation District No. 1 ("CSD-1")
- Sacramento County Transportation Division

The total cost of backbone infrastructure (roads, freeway improvements, drainage, non-CSD-1 sewer, and water facilities, other public facilities (light rail and fire station), and miscellaneous costs (HCP fees, Swainson's Hawk mitigation fee, staff costs) required to serve the MAP area is estimated to be $264.9 million, based on an infrastructure cost matrix provided by Stantec. Costs for engineering, construction management, and contingencies are built into all cost estimates in varying amounts depending on whether the construction project is assumed to be privately built and acquired by a public agency or built directly by a public agency. The 2006 Master Plan includes a construction cost mark-up format that is applied fairly consistently, as follows:

FACILITY COST MARK-UPS

Construction Mark-up	***Private/Acquisition Project***	***Public Project***
Engineering	15% - 25%	25%
Construction Management	0% - 3%	NA
Contingencies	10% - 25%	15% - 33%
Total	28% - 40%	40% - 58%

An additional 10% overall project contingency has been added to the MAP cost estimates to acknowledge that it is not uncommon for additional facility components or improvements to be needed that were not anticipated in the early planning stages. The 10% contingency will be collected to avoid a shortage of funds being available through the MAP fee program due to substantial cost increases beyond the individual project cost contingencies. After accounting for this 10% overall project cost contingency, the total cost of backbone infrastructure and public facilities required to serve the MAP area is estimated to be $291.3 million. Of the total cost, approximately $63.5 million has been funded from the Series 2004A bond issue for CFD No. 2000-1. Nearly $227.9 million in remaining facilities cost must also be funded by MAP.

In general, infrastructure projects required prior to development in MAP are assumed to be constructed privately and acquired by the appropriate public agency. However, the initial phase of the Metro Air Parkway/I-5 interchange (a Caltrans project) is assumed to be a public project. Infrastructure costs do not include in-tract improvements, such as additional local roads and cul-de-sacs that may be constructed, or sewer and water connections to individual development sites. In-tract improvement costs are assumed to be borne by developers in MAP.

Table A-3.1 and Table A-3.2 in Appendix A provide a breakdown of costs for each facility included in the 2006 Finance Plan. These costs include the cost of land acquisition and right-of-way for public facilities. For ease of reference, Table A-3.1 presents the MAP projects sorted by project number, and Table A-3.2 presents the same projects and costs sorted by phase. Right-of-way costs for water, sewer, and drainage pipeline easements are not included where those costs are covered by land acquisition costs included for the roads. Assumed land costs range from a low of $25,000 per acre for certain drainage and road improvements to a high of $178,000 per acre for SR-99 freeway improvements. Facility cost mark-ups are added to these land acquisition costs. Should actual land costs (or any other facility costs) change over time, the fee program and other financing mechanisms may be adjusted accordingly. The impacts to the 2006 Finance Plan when actual costs vary from planned costs are discussed in Chapter V, Implementation and Administration.

Facility requirements and cost estimates are summarized in the remainder of this chapter starting with Section D, Roadway Facilities. This summary, together with the detailed cost estimates provided in the Master Plan, serve as the MAP Capital Improvement Program until further refinement of cost information is completed.

C. SUMMARY OF INFRASTRUCTURE BURDENS

With input from Stantec, the backbone facility costs were spread among the various land uses that benefit from the improvements. To conduct this analysis, a benefit rationale was developed for each facility category, benefit units (equivalent dwelling unit or "EDU" factors) were selected, and fair share cost allocations were assigned to land uses in MAP. Based on the benefit allocations, total infrastructure burdens on each type of land use were calculated assuming no debt financing.

Table B-2 in Appendix B summarizes the total facility cost allocation for an acre of land in each zoning district as well as the cost allocation for each facility category. Total infrastructure burdens range from a low of $141,574 per acre in Zoning District 2 to a high of $347,312 per acre in Zoning District 4. Detailed facility cost allocation tables are presented in Appendix B.

Infrastructure burdens presented in the 2006 Finance Plan are subject to change as cost estimates and assumptions continue to be refined, the County makes policy decisions that affect the plan, and actual infrastructure components are installed. Note that the estimated burdens do not account for a regional sewer fee (discussed in Chapter IV, Financial Analysis), other potential impact fees, or building permit fees that may be required to develop property in the County.

D. BENEFIT METHODOLOGY

The following policies and criteria were used to allocate facility costs among the zoning districts:

- New development must mitigate impacts it creates on public facilities and is fully responsible for the costs of required mitigation.
- Assigned benefit is based on each land use's proportional benefit based on factors that were used to determine facility requirements.
- Each area of a zoning district was determined to benefit equally from the facilities that serve MAP; therefore, benefit areas that isolate one geographic area from another are not warranted.

E. ROADWAY FACILITIES

Road improvements required to serve anticipated MAP land uses, excluding freeway (Caltrans) facilities, are estimated to cost $85.3 million, representing nearly 30% of all public facility costs. This amount reflects the cost of constructing major roads required for the project as well as a 10% overall cost contingency. Street improvements entirely within MAP boundaries will be constructed as Class "A" improvements (including curb, gutter, and sidewalk) using standard street sections, except that the right-of-way will be located at the back of the curb. A meandering sidewalk will be located in a sidewalk/landscape easement adjacent to the street right-of-way. Construction and funding of frontage lane, landscaping, curb and gutter, and sidewalks will be the responsibility of the fronting parcels at the time they develop. Street improvements outside MAP boundaries will be constructed as Class "C" improvements (including roadside ditches only). Streets with frontage on one side within MAP boundaries and the other side within adjacent parcels will be constructed as Class "A" streets on the project side with standard street sections except the right-of-way will be located at the back of curb with a meandering sidewalk located in a sidewalk/landscaping easement. The frontage within adjacent parcels will be constructed as Class "C" improvements.

The roadway cost allocation is presented in Appendix B. Table B-1A shows the roadway cost allocations range from $31,671 per acre in Zoning District 2 to $128,755 per acre in Zoning District 4.

F. FREEWAY FACILITIES

The fair share of freeway improvements required to support MAP is estimated to total $74.6 million. Freeway capital improvement projects include one Interstate 5 ("I-5") interchange, an I-5 main line lane widening, I-5 southbound exit ramp widening, three State Route 99 ("SR-99") interchange improvements, and a SR-99 overcrossing. These improvements are phased over the development of MAP. As shown in Table B-1B, the burdens for freeway improvements range from $27,733 per acre in Zoning District 2 to $112,743 per acre in Zoning District 4.

G. DRAINAGE FACILITIES

Approximately $57.0 million of on-site and off-site storm drainage facilities is included in the cost estimates. Proposed on-site storm drainage facilities include outfalls, a system of detention basins and open channels within the golf course and open space areas, pump station, storm drains, and earthwork required for compliance with the Master Drainage Study. Off-site drainage improvements include upgrading a pump station, enhancing a drainage canal, replacing existing and adding new culverts, and an irrigation pump. Costs range from $39,537 per acre for Zoning Districts 1 and 2 to $41,863 per acre for Zoning Districts 3, 5, and 6 as shown on Table B-1C.

H. SEWER FACILITIES

MAP is located entirely within the SRCSD and CSD-1 service areas. SRCSD and CSD-1 are expected to provide service to MAP through the North Natomas Interceptor, which currently terminates at the western boundary of the Schumacher Property along Greg Thatch Circle, approximately 0.5 miles east of the MAP project boundary.

More than $17.5 million of CSD-1 sewer facility costs will be funded by developers in MAP who will receive reimbursement directly from CSD-1. This reimbursement will be implemented through a separate agreement between MAP developers and CSD-1. As a result, these improvement costs are not included in the 2006 Finance Plan analysis or the corresponding cost burdens. This cost estimate is net of Sacramento International Airport's share of sewer system costs, estimated to be $1.2 million.

More than $7.4 million in non-CSD-1 sewer improvements are needed to serve the project. As shown in Table B-1D, sewer infrastructure burdens range from $3,226 per acre in Zoning District 2 to $11,097 per acre in Zoning District 6 for non-CSD 1 sewer facilities. In addition to these infrastructure burdens for sewer facilities, MAP will be required to annex into SRCSD and

CSD-1 and pay fees according to the fee schedules for these districts, as discussed further in Chapter IV below.

I. WATER FACILITIES

On June 1, 2004, the Sacramento County Water Agency ("SCWA") Board of Directors formed a separate area of benefit within the water agency's boundary for the collection of fees and charges to fund water projects within MAP. Since the formation of Zone 50, the SCWA has completed the Zone 50 Water Supply Master Plan, which revised the water system previously proposed for MAP. The adopted plan eliminates the use of ground water as well as the need for groundwater wells and a ground water treatment plant. Metro Air Park's water needs will be satisfied through an agreement with the City of Sacramento.

The proposed water system for MAP is identified in the Zone 50 Water Supply Master Plan and provides for conveyance of water from the City of Sacramento to supply 100% of buildout maximum day demands. The SCWA Zone-41 will be responsible for operation and maintenance of the MAP water system after completion of construction. This agency will also be responsible for water delivery to customers in MAP.

Water improvement costs include costs related to water transmission lines, an on-site water storage reservoir, booster facilities, and an off-site water transmission main that serves as the connection point to the City of Sacramento's water system. In addition to these water improvement costs, MAP is required to fund the first increment of the City of Sacramento water connection cost totaling nearly $1.6 million. Total water infrastructure costs amount to approximately $32.3 million, which includes a 10% overall cost contingency.

Table B-1E identifies the infrastructure burdens based on a benefit allocation of water facility costs. As shown, water cost allocation ranges from $14,695 per acre in Zoning Districts 1 and 2 to $34,909 per acre in Zoning District 5.

In addition to the water facility cost burdens shown in Table B-1E, developers in MAP will pay a fee to SCWA Zone 50 for the procurement of additional increments of capacity necessary to serve MAP development.

J. MISCELLANEOUS COSTS

The MAP Ordinance requires a fair share contribution for public transit/light rail from the project based on improvements identified in the Transit Master Plan adopted by Regional Transit. In addition, the Ordinance requires dedication of right-of-way for the extension of light rail service through MAP. Property owners are also required to participate in any future County-wide funding program that may be approved by the Board of Supervisors to support the operation of transit services in the project. The Master Plan includes a total of $11.3 million to fund light rail facilities, including $440,000 for land acquisition for station sites and right-of-way, and $10.9 million for construction and rolling stock.

MAP is within the boundary of the former Natomas Fire Protection District, which is currently managed by the Board of Supervisors and contracts with the Sacramento Fire Department to provide service. The Ordinance requires MAP to provide one acre of land, a city-designed fire station, and possibly apparatus, equipment as well as operating costs incurred during the first year of operation. While the 2004 Finance Plan included funding for both land and construction costs, the Fire District has subsequently decided to locate the fire station outside of MAP. Although the fire station is no longer proposed in MAP, MAP developers are nonetheless required to provide the fire station pursuant to the Ordinance. Land acquisition costs are not included in the 2006 Finance Plan; construction of the proposed fire station is estimated to cost $8.4 million.

Funds were advanced by the developers to pay County staff and consultants' costs associated with preparing and updating the Master Plan, Finance Plan, and other analyses to support development of MAP. A portion of these costs was reimbursed to MAP developers from proceeds of the soft cost bond issue. However, an additional $2.5 million is included in the 2006 Finance Plan for funding that has or will be advanced by the developers and was not funded by the Soft Cost District. While $1.1 million from the net proceeds of the Series 2004A bond issue for CFD No. 2000-1 was allocated for reimbursement to MAP developers, the remaining $1.4 million is anticipated to be reimbursed from net proceeds of the third bond issue.

The project is required to mitigate impacts due to the loss of 160 acres of Giant Garter Snake habitat. To mitigate the impact of development, approximately $3.0 was paid from the net proceeds of the first bond issue for the lost habitat. Also, MAP is required to mitigate its impact on the Swainson's Hawk; mitigation is estimated to cost $4.1 million. A portion of the Swainson's Hawk mitigation cost ($3.3 million) was funded from the Series 2004A bond proceeds; the remaining $0.8 million will be funded through the proceeds of the second bond issue.

The cost allocation shown in Table B-1F incorporates all miscellaneous costs discussed in this section, as well as approximately $0.3 million for easements and $2.0 million utility company contracts with the Sacramento Municipal Utility District (SMUD). Cost burdens equal $24,713 per acre for all Zoning Districts, as shown on Table B-1F.

IV. FINANCIAL ANALYSIS

A. INFRASTRUCTURE PHASING

As discussed in Chapter III, development of Metro Air Park will require more than $291.3 million in public facilities, including a 10% overall cost contingency. Due to the lack of existing infrastructure networks on the site, a considerable amount of backbone infrastructure is needed prior to any development occurring within the project. However, a substantial amount of public facility costs can be delayed until future years.

Infrastructure projects are identified as being phased according to specific MAP development intervals. Stantec Consulting defined these intervals in the table below:

PHASED INFRASTRUCTURE INTERVALS

Infrastructure Phase	***Percent of MAP Buildout***
Phase 1 (Prior to Development)	0%
Phase 1B	10%
Phase 1C	15%
Phase 2	20%-29%
Phase 3	30%-39%
Phase 4	40%-59%
Phase 5	60%-79%
Phase 6	80%-100%

Stantec phased facilities based on the percentage of acreage absorbed in MAP. For example, Phase 4 begins after 39% of the total net acreage in MAP has developed. Using this methodology, all facilities in Phase 4 would be constructed when approximately 40% absorption is achieved. The analysis in the 2006 Finance Plan is consistent with both the 2000 Finance Plan and the 2004 Finance Plan and incorporates a different methodology by phasing facilities based on the percentage of EDUs accumulated for each separate facility category. For example, for transportation improvements, Phase 4 begins after 40% of total trips are generated; not when 40% of the acreage is developed. Phase 4 for each of the other facilities would also occur after 40% of the facilities' respective total EDUs were reached, which would not necessarily occur in the same year as the 40% transportation trigger. The result of this methodology is a phasing plan which is more demand driven than acreage driven.

Public facility projects required in Phase 1A have been designed to ensure reasonable access to basic infrastructure by all property owners. This allows property owners anywhere in MAP to begin development as soon as Phase 1A infrastructure is constructed.

Table A-4 in Appendix A provides a breakdown of facility costs for each of the separate phases of development. As shown in Table A-4, $109.6 million, or slightly over 41% of the total facilities cost, is needed prior to any development taking place. An additional $59.1 million is needed before the project is 40% developed, another $31.0 million by the time MAP is 60% developed, $27.3 million before MAP is 80% developed, and $37.9 million prior to and at buildout. Total infrastructure costs for MAP amount to nearly $264.9 million. As discussed previously, an additional 10% overall cost contingency is added to MAP costs to avoid a shortage of funds being available through the MAP fee program due to substantial cost increases beyond the individual project cost contingencies. After accounting for this 10% overall cost contingency, the total cost of backbone infrastructure and public facilities required to serve the MAP area is estimated to be $291.3 million.

Fee revenues will be part of the facility funding strategy; however, fees will not be available for the first phase of infrastructure. Debt financing is needed to close funding gaps and generate lump-sum proceeds to keep up with facility demands. Therefore, the 2006 Finance Plan involves a combination of both fee-funded and debt-funded facilities, as discussed further below. Although the 2006 Finance Plan assumes only three bond issues, it may be determined at a later date that additional bond sales are needed to close funding gaps and generate lump-sum proceeds to keep up with facility demands. As discussed in Section V, this 2006 Finance Plan may be updated to reflect revised facilities needs as well as updated costs.

B. PROPOSED FINANCING METHODS

1. Impact Fees

Impact fees are monetary exactions (other than taxes or special assessments) that are charged by local agencies in conjunction with approval of a development project. Impact fees are levied for the purpose of defraying all or a portion of the costs of a public facility, improvement, or amenity that benefits a project. The collection of impact fees does not require formation of a special district; a fee program is implemented by a public agency's adoption of a resolution or ordinance.

Impact fees are paid by builders or developers, typically at the time a building permit is issued. The public facilities funded by impact fees must be specifically identified, and there must be a reasonable relationship, or "nexus," between the type of development project and the need for the facilities, the need to impose a fee, and the portion of the facilities cost allocated to the development project, pursuant to Section 66000 et. seq. of the Government Code.

While developer fees cannot typically be leveraged (i.e., provide security for bonds or other debt instruments), fees can be used in conjunction with debt financing to help retire bonds secured by other means (e.g. land). In this case, developer fees can generate supplemental revenues to reduce future special taxes or assessments. Developer fees can also be used to generate reimbursement revenue to property owners or public agencies who have previously paid more than their fair share of public improvement costs.

2. ***Mello-Roos Community Facilities Act of 1982***

The Mello-Roos Community Facilities Act of 1982 (the "Act") [Section 53311 et. seq. of the Government Code] was enacted by the California State Legislature to provide an alternate means of financing public infrastructure and services subsequent to the passage of Proposition 13 in 1978. The Act complies with Proposition 13, which permits cities, counties, and special districts to create defined areas within their jurisdiction and, with a two-thirds vote within the defined area, impose special taxes to pay for the public improvements and services needed to serve that area. The Act defines the area subject to a special tax as a Community Facilities District or CFD.

A CFD may provide for the purchase, construction, expansion, or rehabilitation of any real or other tangible property with an estimated useful life of at least five years. A CFD may also finance the costs of planning, design, engineering, and consultants involved in the construction of improvements or formation of the CFD. The facilities financed by the CFD do not have to be physically located within the CFD.

Formation of a CFD authorizes a public agency to levy a special tax on all taxable property within the CFD in the manner prescribed in the formation documents. Property owned or irrevocably offered to a public agency may be exempted from the special tax. Mello-Roos special taxes are collected at the same time and in the same manner as property taxes, unless otherwise specified by the agency. Special tax revenues may be used to pay debt service on bonds sold to provide funding for the construction or acquisition of public capital facilities. Special taxes may also be used to pay directly for facilities and public services.

Mello-Roos bonds can be short-term or long-term obligations. Typically, long-term bonds have either a twenty-five or thirty year maturity. Short-term notes or bonds can be issued to provide interim funding; these obligations are then retired when another source of revenue becomes available.

C. IMPACT FEE ANALYSIS

Impact fees are calculated assuming that all developable property in MAP ultimately develops, including property that is not included in the boundaries of CFD No. 2000-1 but may annex later. The MAP impact fee analysis first determines gross fees assuming no facilities are funded through the CFD. These gross fees represent the facility costs allocated to each zoning district based on selected benefit units, such as trip generation for transportation improvements, percent impervious surface area for drainage, and acreage for miscellaneous facility costs (see Table A-5 in Appendix A). Table B-2 in Appendix B identifies gross impact fees for each zoning district, and Tables B-1A through B-1F provide a separate facility cost allocation table for each facility type. As discussed in Chapter III, total infrastructure costs range from $141,574 per net acre in Zoning District 2 to $347,312 per net acre in Zoning District 4.

The timing of facility needs dictates that debt financing must be used in addition to fee revenues. Because certain facilities will be paid from bond proceeds, the gross impact fees can be reduced accordingly. The amount of bond proceeds that will be available to reduce the fees will be affected by the project absorption schedule. Table C-5 identifies the net impact fees that would result after accounting for public facilities that are expected to be funded through the CFD. As shown in this table, the net MAP impact fee will be a low of $85,475 per net acre in Zoning District 2 to a high of $252,495 per net acre in Zoning District 4. The net impact fees for transportation, drainage, sewer, water, and public facilities include a 5% charge for County fee program administration. Many facilities that are expected to be fee-funded will likely be built directly by developers, who will then receive a credit against the fees or a reimbursement depending upon the timing of the facility in the CIP.

The total net impact fees are made up of a combination of existing fees that have already been adopted by the Sacramento County Water Quality Division and future fees that will be adopted in new fee ordinances. MAP will be required to annex into SRCSD and CSD-1; the fees shown in Table B-3 are taken from the fee schedules for these districts effective April 1, 2006. Sewer treatment facilities are not included among the public facilities in the Master Plan because it is assumed that MAP will utilize SRCSD treatment facilities and pay the applicable SRCSD fee. This fee ranges from a low of $5,040 per net acre in Zoning District 6 to a high of $26,994 per net acre in Zoning District 4 essentially adding $29.2 million to the cost of public facilities for MAP.

D. COMMUNITY FACILITIES DISTRICT ANALYSIS

1. Community Facilities District No. 2000-1

The 2000 Finance Plan anticipated that a Mello-Roos Community Facilities District (CFD) would be formed as part of the funding strategy for MAP. To implement the strategy, the County assembled a financing team to form the CFD, including a bond counsel, financial advisor, bond underwriter, special tax consultant, appraiser and absorption consultant. The financing team worked with County staff, developers and property owners to determine the special tax formula, authorized facilities, and boundaries of the CFD.

The County of Sacramento Metro Air Park Community Facilities District No. 2000-1 was formed on September 26, 2000 to implement the funding strategy set forth in the 2000 Finance Plan. Due to structural changes proposed by the developers, the special tax formula that was adopted when the CFD was formed (discussed further in Section C.2 below) was amended in September 2001. A boundary map of CFD No. 2000-1 was recorded on October 6, 2000 at page 13 of Book 93 of Maps of Assessment Districts and Community Facilities Districts in the Sacramento County Recorder's Office. It should be noted that not all property included within MAP is included in the CFD. Approximately 84.4 acres of property that did not agree to be included in the CFD when it was formed will be required to annex into the CFD before commencing development.

2. ***Rate and Method of Apportionment of Special Tax***

The special tax formula for CFD No. 2000-1 is set forth in the Rate and Method of Apportionment of Special Tax ("RMA") that was adopted by the Board of Supervisors in September 2001. At that time, the Metro Air Park CFD was expected to involve a complex funding strategy with a combination of "Senior Bonds" (bonds secured by a first priority claim on special tax revenues) and "Subordinate Bonds" (bonds secured by a lien which is subordinate to the Senior Bonds). A significant portion of the RMA was dedicated to unique foreclosure remedies, prepayment options, and special tax adjustments that related to the Subordinate Bonds. The adopted RMA is included as Appendix D of this report.

Subordinate Bonds are no longer a component of the MAP funding strategy. All series of bonds expected to be issued for CFD No. 2000-1 will be on parity with each other, and there will be no priority claim for the initial or subsequent issues. Although the funding strategy has changed, the adopted RMA will not be changed. However, several sections of the RMA will no longer be applicable, as discussed further below. All bonds issued for CFD No. 2000-1 will now be Senior Bonds, as defined in the RMA.

Following is a summary of the portions of the RMA that will no longer be applicable due to the revised funding strategy:

- The following terms which are defined in Section A of the RMA will no longer be used in the application of the special tax formula: Amortized Principal, Foreclosure Parcel, Partial Prepayment Parcel, Remaining Annual Total Bond Debt Service, and Subordinate Bonds.

- Because the circumstance described in Section C.1 of the RMA (the retirement in full of Subordinate Bonds) will never occur, the methodology for determining the Maximum Facilities Special Tax will always be the one that is described in the first paragraph of the said Section. Accordingly, the provisions of Section C.1 other than its first paragraph will not be applicable, nor will the third sentence of the first paragraph which deals with Foreclosure Parcels and Partial Prepayment Parcels. Thus, there will no longer be a reduction of the Maximum Facilities Special Tax, which was expected to occur after all Subordinate Bonds had been retired. Based on the revised funding strategy, the initial Maximum Facilities Special Tax assigned to a parcel will never be reduced, although it may be removed entirely if the landowner prepays the special tax, as discussed further below.

- Sections C.2 and C.3 of the RMA will no longer be applicable. Section C.2 set forth a procedure to tender Subordinate Bonds to remedy special tax delinquencies on a parcel; this tender provision will no longer apply. Section C.3 set forth steps to determine a reduced Maximum Facilities Special Tax for parcels that had prepaid the portion of the special tax that secured Subordinate Bonds. Because there will now be no Subordinate Bonds issued, no partial prepayments will be allowed. Pursuant to Section G of the RMA, a parcel owner will still have the option to prepay the entire special tax obligation assigned to a parcel.

- Section E of the RMA sets forth a procedure to determine the amount of Subordinate Bonds to be tendered in the event of a delinquency. Since no Subordinate Bonds will be issued, this section will no longer have application.

- Section F of the RMA provides a prepayment formula specific to prepaying Subordinate Bonds secured by a parcel. Since no Subordinate Bonds will be issued, this section will no longer be applicable.

- Section G will now effectively be the sole prepayment option for a property owner in CFD No. 2000-1. This section sets forth the steps that must be applied to determine the full prepayment for the parcel which will release the property from the special tax lien. The second and fourth paragraph in this section, which relate to Subordinate Bonds and partial prepayments, will no longer be relevant.

Parcels in CFD No. 2000-1 will be subject to the levy of both a Facilities Special Tax and a Services Special Tax, as defined in the RMA. The maximum Facilities Special Tax for fiscal year 2006-07 ranges from a low of $4,859 per acre in Zoning Districts 1, 2 and 6 to a high of $9,313 per acre in Zoning District 5. The maximum Facilities Special Tax for each Zoning District will increase each fiscal year by two percent of the amount in effect in the prior fiscal year. The special tax is structured so that property for which a building permit has been issued will be taxed at the maximum rate and, if additional revenue is needed to pay debt service or fund construction costs directly, undeveloped property will be taxed for the difference up to the maximum rate, if necessary. If a landowner does not pay the annual special tax levied on the property, the County will pursue foreclosure on the property pursuant to foreclosure covenants included in the bond documents.

In addition to funding capital facilities, the CFD will be used to fund maintenance of roadway median landscaping, drainage maintenance services associated with groundwater infiltration into drainage basins, traffic monitoring, and water supply facility maintenance for the first five years. For fiscal year 2006-07, the maximum Services Special Tax ranges from a low of approximately $459 per acre for Zoning District 2 to a high of approximately $838 per acre for Zoning District 5. The portion of the maximum Services Special Tax that is associated with the maintenance cost for groundwater pumping will be adjusted each year by applying the greater of (i) the increase, if any, in the Consumer Price Index for the San Francisco-Oakland-San Jose area for all urban consumers (the "CPI"), or (ii) the increase in the power rate charged by the Sacramento Municipal Utility District for power usage. The remaining portion of the maximum Services Special Tax will be adjusted each year by the increase, if any, in the CPI.

As mentioned above, the RMA for CFD No. 2000-1, which describes how the special taxes are structured and applied, how to calculate a prepayment, the cost to annex into the CFD, and other components of the special tax formula, is included as Appendix D of this report.

3. ***Issuance of Tax-Exempt Bonds***

The 2006 Finance Plan anticipates making use of long-term, tax-exempt Mello-Roos bonds to close funding gaps that would otherwise occur in a pay-as-you-go fee program. For example, no fee revenues will be available to help fund more than $109.6 million in Phase 1A infrastructure costs; debt financing is needed to cover nearly all Phase 1 costs. However, the value of the property in MAP, taking into account existing entitlements and improvements on the site, is insufficient to support a bond issue in the amount that is needed to close this initial funding gap. California state law and County policy requires a minimum value-to-lien ratio of 3 to 1 unless this requirement is waived by the Board of Supervisors. In 2004, the GJW appraisal identified an appraised free and clear value of approximately $37 million for property in CFD No. 2000-1. GJW will prepare an updated appraisal for MAP; however, as no development has occurred, the updated appraised value will not likely be sufficient to provide the necessary minimum value-to-lien ratio required by both the County and state.

In order to generate sufficient proceeds to fund the first phase of infrastructure, the first series of bonds was a private placement, which means that the bonds were not sold on the open market but were, instead, placed with private parties. These private parties recognized and accepted the fact that the value of the property was less than that needed to support state and County value-to-lien requirements. Because it was a private placement and the parties with whom the bonds were placed want to maximize the net construction proceeds available from the issue, the first series of bonds were sold without a reserve fund. The first bond issue was sold at a 7.0% interest rate with a 30-year term, and was sized based on the amount the private parties were willing to purchase in calendar year 2004, which amounted to approximately $63.5 million.

The 2004 Finance Plan anticipated that the second series of bonds would also be placed with these same private parties, although the parties would not be committed to purchase the second series of bonds. Subsequent to the adoption of the 2004 Finance Plan, the County and Metro Air Park LLC entered into a forward purchase agreement, which obligated certain owners of the Series 2004A Bonds to purchase the second series of bonds.

For purposes of the 2006 Finance Plan, both the second and third series of bonds are assumed to be privately placed with the same parties (i.e., Metro Air Park LLC or a similar entity) and, therefore, no reserve fund is included and the value-to-lien ratio is not considered a constraint. In the Mello-Roos cash flow analysis summarized in Tables C-1 and C-3, the second bond issue is sized to fund all Phase 1ABA facilities. A third series of bonds and surplus special tax revenue from the special tax levy for fiscal year 2006-07 will fund the remaining facilities required prior to development. If all facilities required prior to development cannot be funded through the first three bond sales and the surplus special tax revenues for fiscal year 2006-07, MAP developers are still required to construct these facilities and would be subject to a credit or reimbursement.

Because these facilities are assumed to be debt-financed, the net impact fees that will be adopted for MAP are calculated excluding the funding for the portion of Phase 1A facilities that are assumed to be funded from the numerous series of bond proceeds.

The remaining Phase 1A improvements will be constructed by developers in MAP whether or not bond proceeds are available. If the private parties with whom the first and second series of bonds were placed do not agree to buy the third series of bonds or insufficient bonding capacity exists, developers who are due a reimbursement for building Phase 1A improvements will be required to wait until sufficient value has built up in the project to support the sale of bonds on the open market. However, future phases of facilities will be triggered as development progresses in the project, and available bonding capacity will first be applied to the cost of subsequent phases of facilities, with developer reimbursement occurring as a second priority.

Tables C-2 and C-3 in Appendix C summarize the Mello-Roos cash flow analysis. As indicated in these tables, three series of bonds will be issued, with the last bond issue expected in year 2009. It is important to note that the third and final series of bonds is sized to cover most of the remaining facility costs required prior to development (e.g., Phase 1ABC facilities) based on the absorption schedule. These costs include surface improvements on South Bayou Road and initial phases of the State Route 99 projects.

The analysis projects sufficient fee revenue will be available to fund remaining MAP facilities beyond Phase 1A (especially the I-5/Metro Parkway interchange) based on GJW's absorption assumptions. However, if this absorption does not transpire, the County will evaluate alternatives to ensure timely funding of the improvements. These alternatives would likely include applying all fee revenues to the I-5/Metro Parkway interchange cost until it is fully funded (which will delay reimbursements for other facilities).

Based on the timing of bond sales and the assumed absorption schedule in the analysis, undeveloped property will pay special taxes over a 20-year period in an estimated total amount of $43.1 million in 2006 dollars. The total undeveloped property tax that is ultimately paid will vary depending on the actual absorption rates in MAP.

It is important to note that approximately 6% of the developable acreage in MAP (about 84.4 acres) was excluded from the CFD when it was formed. These properties will be required to annex into CFD No. 2000-1 before they can develop. The bonding capacity shown in Tables C-2 and C-3 is based on the assumption that special taxes are never levied on these non-participating properties. If property does annex into the CFD in future years, additional bonding capacity will be available. Alternatively, if the same amount of bonds is issued, special taxes levied on all property within the CFD will be reduced.

E. SUMMARY OF PROPOSED FINANCING STRATEGY

Table C-1 summarizes the infrastructure cash flow, comparing fee revenues and bond proceeds to public facility costs in each year, while attempting to minimize the surplus at buildout. The County will likely establish a single capital facilities account into which the MAP fees will be deposited, which will preclude the necessity of interfund borrowing between separate facility accounts and result in maximizing the efficiency of the fee program. Fees for CSD-1, SRCSD, SCWA, and schools will not be included in the MAP fee but instead will be distributed to the levying agencies. The Metro Air Park Public Facilities Financing Matrix presented in Table C-6 summarizes the results of the financial analysis and illustrates the financing strategy for MAP.

V. IMPLEMENTATION AND ADMINISTRATION

Metro Air Park is anticipated to build out over an extended period of time. During this time, there are likely to be changes in land use plans, facility standards and design, cost estimates, and other assumptions that are incorporated in the 2006 Finance Plan. The 2006 Finance Plan is designed to accommodate such changes, while maintaining the security of bond holders. The impact fee component of the 2006 Finance Plan will be put into effect by adoption of a fee ordinance by the Board of Supervisors. Pursuant to this ordinance, fees will be collected by the County, deposited into a designated account, and used to fund improvements in MAP. Following is a brief summary of certain tasks that will be required to implement the 2006 Finance Plan.

A. UPDATES AND REVISIONS

The 2006 Finance Plan should be updated each time there is a significant change in facility plans, land use plans, or cost estimates. When these items are revised, there will be a corresponding change in the fair-share cost allocation to each type of land use anticipated within the zoning districts in MAP. The impact fees must also be adjusted to maintain a nexus between facilities being funded and land uses paying such fees.

CFD No. 2000-1 formation documents set forth a list of facilities that are authorized to be funded by the CFD and maximum special tax rates for the CFD have been adopted by the Board of Supervisors. Because a vote would be required in future years to amend the authorized facilities or maximum special tax rates, it is unlikely that either of these items will change. However, the actual special tax levied each fiscal year may vary due to changes in development activity, interest earnings on CFD accounts, bond interest rates, and debt service requirements. The actual amount to be levied each year will be determined by the County and will be reflected on the property tax bill.

B. INDIVIDUAL PROJECT APPLICATIONS

When an individual project application is submitted to the County for processing and approval, the facilities required to serve that project must be identified. Due to the incremental nature of public facility phasing, it is likely that certain individual projects in MAP will be required to construct facilities in the CIP. By comparing a project's assigned fair share of facility costs to the costs of improvements required to allow the project to proceed, the County will be able to calculate an equitable reimbursement to the developer paying for oversized improvements. The County will likely allow credits against development fees or enter into an agreement with the developer to affect such a reimbursement depending on the timing of the facility in the CIP.

C. ACTION ITEMS FOR THE COUNTY

Prior to commencement of development in MAP, the County will need to adopt a fee ordinance or resolution implementing the Metro Air Park fees. The initial ordinance will likely reflect fee amounts based on the information provided in the 2006 Finance Plan. Fees may be adjusted in future years to reflect actual costs, updated cost estimates, changes in the amount of property anticipated to develop, and other factors. In addition to County fees, MAP will be subject to fees levied by SRCSD, CSD-1, and SCWA.

Pursuant to Section 66006 of the Government Code, the County will establish a separate capital facility account for MAP public facilities. Establishment of this account will prevent commingling of the MAP fees with other County revenues and funds. Interest income earned by fee revenue in this account will be deposited in the account and applied to facility construction costs. Within sixty days of the close of each fiscal year, the County will make information pertaining to each account [as required by Section 660006 (b)(1)] available to the public and will review this information at a regularly scheduled public hearing.

D. COMMUNITY FACILITIES DISTRICT ADMINISTRATION

Formation of CFD No. 2000-1 committed the County to ongoing administration of the CFD. The Mello-Roos special tax is not a fixed lien on each parcel, but an annual lien that must be calculated and levied each year. The appropriate special tax will be determined by the County after consideration of annual debt service requirements, direct construction funding, administrative costs of the CFD, prepayments received, and development activity within the CFD. After the special taxes have been calculated each fiscal year, they will be submitted to the County Auditor to be included on the secured property tax roll.

Unlike property taxes, there is not a four to five-year grace period for collection of delinquent Mello-Roos special taxes. The County has covenanted in the bond documents to pursue foreclosure on delinquent parcels within a specified time frame. As part of this covenant, the County must monitor delinquencies, notify delinquent taxpayers, and begin foreclosure proceedings if the delinquencies are not remedied.

The County is also responsible for disclosing information regarding the CFD to the California Debt and Investment Advisory Commission and national information repositories (pursuant to SEC Rule 15c2-12). However, since all three series of bonds will likely be a private placement, the continuing disclosure required by Rule 15c2-12 will not apply to these bond series. However, this rule will apply in the event that future bond issues are offered on the open market. Rule 15c2-12 requires various information regarding delinquent special taxes, the balance in CFD accounts, assessed valuation, and other items be compiled and submitted by designated due dates. As part of the issuance process for bonds offered for sale on the open market, the County will enter into a Continuing Disclosure Agreement that will specifically identify the information that must be disclosed.

E. WATER AGENCY FEES AND USER CHARGES

In addition to the action items discussed above, impact fees or monthly user charges must be put in place to generate funding for a portion of the surface water treatment facility. The Sacramento County Water Agency must identify a separate area of benefit to collect impact fees and user charges in MAP. Subsequent to the adoption of the 2004 Finance Plan, the Sacramento County Water Agency ("SCWA") Board of Directors formed a separate area of benefit within the water agency's boundary for the collection of fees and charges to fund water projects within MAP. Zone 50 was formed by Resolution WA-2542 on June 1, 2004. The SCWA Zone-41 was identified to be responsible for operation and maintenance of the MAP water system and for water delivery to customers in MAP.

APPENDIX A

LAND USE, ABSORPTION, COST, AND BENEFIT UNIT ASSUMPTION TABLES

Table A-1
Metro Air Park
Land Use, Demographics, and Value Assumptions

Land Uses		**Building Intensity (Avg FAR)**	**Net Acres**	**Building Square Feet (SF)**	**Value per SF /1**	**Total Developed Value**
Commercial/Industrial						
Zone 1	Distribution/Manufacturing	0.32	518.8	7,339,000	$110.00	$807,290,000
Zone 2	Airport Related	0.31	274.4	3,676,000	$110.00	$404,360,000
Zone 3	R&D/High Tech	0.30	161.4	2,109,000	$150.00	$316,350,000
Zone 4	Office & Professional	0.44	116.9	2,254,000	$215.00	$484,610,000
Zone 5	Retail/Hotel/Other	0.38	330.4	5,450,000	$200.00	$1,090,000,000
Zone 6	Golf Course Clubhouse	0.08	5.0	N/A	N/A	N/A
Total			1,406.9	20,828,000		$3,102,610,000
Other Land Uses						
	Golf Course & Open Space		273.3			
	Roadways and Other Public Acreage		211.8			
Total Project Acreage			1,892.0			

/1 Assumes no tenant improvements

Source: Giannelli Jarrette & Waters LLC; Metro Air Park Developers; Goodwin Consulting Group, Inc. *12/11/2007*

Table A-2
Metro Air Park
Annual Absorption Assumptions

Land Use	Total	0 2004	1 2005	2 2006	3 2007	4 2008	5 2009	6 2010	7 2011	8 2012	9 2013	10 2014	11 2015
	SF or Holes												
Zone 1 Distribution/Manufacturing	7,339,000	0	0	0	0	366,384	366,384	366,384	366,384	366,384	366,384	366,384	366,384
Zone 2 Airport Related	3,676,000	0	0	0	0	333,573	333,573	333,573	333,573	333,573	333,573	333,573	333,573
Zone 3 R&D/High Tech	2,109,000	0	0	0	0	105,842	105,842	105,842	105,842	105,842	105,842	105,842	105,842
Zone 4 Office & Professional	2,254,000	0	0	0	0	111,832	111,832	111,832	111,832	111,832	111,832	111,832	111,832
Zone 5 Retail/Hotel/Other	5,450,000	0	0	0	0	329,903	329,903	329,903	329,903	329,903	329,903	329,903	329,903
Zone 6 Golf Course Clubhouse (holes)	18	0	0	0	0	0	0	0	0	0	4	4	4
Total	20,828,000	0	0	0	0	1,247,535	1,247,535	1,247,535	1,247,535	1,247,535	1,247,535	1,247,535	1,247,535
Cumulative Developed Square Feet		0	0	0	0	1,247,535	2,495,069	3,742,604	4,990,138	6,237,673	7,485,207	8,732,742	9,980,276
	Net Acres												
Zone 1 Distribution/Manufacturing	518.8	0.0	0.0	0.0	0.0	25.9	25.9	25.9	25.9	25.9	25.9	25.9	25.9
Zone 2 Airport Related	274.4	0.0	0.0	0.0	0.0	24.9	24.9	24.9	24.9	24.9	24.9	24.9	24.9
Zone 3 R&D/High Tech	161.4	0.0	0.0	0.0	0.0	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1
Zone 4 Office & Professional	116.9	0.0	0.0	0.0	0.0	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8
Zone 5 Retail/Hotel/Other	330.4	0.0	0.0	0.0	0.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0
Zone 6 Golf Course Clubhouse	5.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	1.0	1.0
Total	1,406.9	0.0	0.0	0.0	0.0	84.7	84.7	84.7	84.7	84.7	85.7	85.7	85.7
Cumulative Developed Acres		0.0	0.0	0.0	0.0	84.7	169.4	254.1	338.8	423.5	509.2	594.9	680.6

Source: Giannelli, Jarrette & Waters LLC

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Table A-2
Metro Air Park
Annual Absorption Assumptions

Land Use		Total	12 2016	13 2017	14 2018	15 2019	16 2020	17 2021	18 2022	19 2023	20 2024	21 2025	22 2026	23 2027
		SF or **Holes**												
Zone 1	Distribution/Manufacturing	7,339,000	366,384	366,384	366,384	366,384	366,384	366,384	366,384	366,384	366,384	366,384	366,384	377,701
Zone 2	Airport Related	3,676,000	333,573	333,573	340,271	0	0	0	0	0	0	0	0	0
Zone 3	R&D/High Tech	2,109,000	105,842	105,842	105,842	105,842	105,842	105,842	105,842	105,842	105,842	105,842	105,842	98,002
Zone 4	Office & Professional	2,254,000	111,832	111,832	111,832	111,832	111,832	111,832	111,832	111,832	111,832	111,832	111,832	129,186
Zone 5	Retail/Hotel/Other	5,450,000	329,903	329,903	240,829	240,829	240,829	240,829	240,829	240,829	240,829	240,829	224,334	0
Zone 6	Golf Course Clubhouse (holes)	18	6	4	0	0	0	0	0	0	0	0	0	0
Total		20,828,000	1,247,535	1,247,535	1,165,159	824,888	824,888	824,888	824,888	824,888	824,888	824,888	808,393	604,889
Cumulative Developed Square Feet			11,227,811	12,475,345	13,640,504	14,465,392	15,290,280	16,115,168	16,940,055	17,764,943	18,589,831	19,414,719	20,223,111	20,828,000
		Net **Acres**												
Zone 1	Distribution/Manufacturing	518.8	25.9	25.9	25.9	25.9	25.9	25.9	25.9	25.9	25.9	25.9	25.9	26.7
Zone 2	Airport Related	274.4	24.9	24.9	25.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Zone 3	R&D/High Tech	161.4	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	8.1	7.5
Zone 4	Office & Professional	116.9	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8	5.8	6.7
Zone 5	Retail/Hotel/Other	330.4	20.0	20.0	14.6	14.6	14.6	14.6	14.6	14.6	14.6	14.6	13.6	0.0
Zone 6	Golf Course Clubhouse	5.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total		1,406.9	85.7	85.7	79.8	54.4	54.4	54.4	54.4	54.4	54.4	54.4	53.4	40.9
Cumulative Developed Acres			766.3	852.0	931.8	986.2	1,040.6	1,095.0	1,149.4	1,203.8	1,258.2	1,312.6	1,366.0	1,406.9

Source: Giannelli, Jarrette & Waters LLC

12/11/2007

Table A-3.1
Metro Air Park
Facility Costs (Sorted by Project Number)

Project Description		Phase	% Absorption	Roadway	Freeway	Drainage	Sewer (Non-CSD-1)	Water	Misc-ellaneous /1	Total	Series 2004A Bond-Funded Facilities Cost	Net Remaining Facilities Cost
DPR-1	Power Line Rd to City Limits	6	94%	$2,051,871	$0	$0	$0	$0	$0	$2,051,871	$0	$2,051,871
DRN-10	Pump Station Upgrade (South)	3	30%	$0	$0	$858,000	$0	$0	$0	$858,000	$0	$858,000
DRN-11	Pump Station Upgrade (South)	4	40%	$0	$0	$1,001,000	$0	$0	$0	$1,001,000	$0	$1,001,000
DRN-14.1	Road "F" Drain Line	1AA	0%	$0	$0	$346,441	$0	$0	$0	$346,441	($346,441)	$0
DRN-14.1	Road "F" Drain Line	1ABA	0%	$0	$0	$161,952	$0	$0	$0	$161,952	$0	$161,952
DRN-1.1	Road "B"/Meister Way Outfall	1AA	0%	$0	$0	$690,389	$0	$0	$0	$690,389	($690,389)	$0
DRN-1.1	Road "B"/Meister Way Outfall	1ABA	0%	$0	$0	$379,413	$0	$0	$0	$379,413	$0	$379,413
DRN-2.1	Road "G" Drain Line	1AA	0%	$0	$0	$278,173	$0	$0	$0	$278,173	($278,173)	$0
DRN-2.1	Road "G" Drain Line	1ABA	0%	$0	$0	$37,019	$0	$0	$0	$37,019	$0	$37,019
DRN-3	Det/Water Qual Facilities-Open Space	1AA	0%	$0	$0	$3,439,666	$0	$0	$0	$3,439,666	($3,439,666)	$0
DRN-4	Det/Water Qual Facilities-Open Space	1AA	0%	$0	$0	$4,327,110	$0	$0	$0	$4,327,110	($4,327,110)	$0
DRN-5	Det/Water Qual Basins & Drainage Facilities	1AA	0%	$0	$0	$8,548,744	$0	$0	$0	$8,548,744	($8,548,744)	$0
DRN-6.1	Earthwork Balance & Off-site NCMWC Facilities	1AA	0%	$0	$0	$5,539,000	$0	$0	$0	$5,539,000	($5,539,000)	$0
DRN-6.1-2	Earthwork Balance & Offsite NCMWC Facilities	1ABA	0%	$0	$0	$3,268,220	$0	$0	$0	$3,268,220	$0	$3,268,220
DRN-6.1-4	South Lake Pump Station	1ABA	0%	$0	$0	$195,200	$0	$0	$0	$195,200	$0	$195,200
DRN-9	Pump Station (South)	1AA	0%	$0	$0	$7,814,259	$0	$0	$0	$7,814,259	($7,814,259)	$0
DRN-9	Pump Station (South)	1ABB	0%	$0	$0	$1,865,502	$0	$0	$0	$1,865,502	$0	$1,865,502
EB-1.1	Power Line Rd to Lone Tree Rd - 2 Lanes	1AA	0%	$3,438,034	$0	$1,017,114	$782,785	$824,654	$0	$6,062,587	($6,062,587)	$0
EB-1.1	Power Line Rd to Lone Tree Rd - 2 Lanes	1ABA	0%	$2,303,928	$0	$410,354	$0	$304,378	$0	$3,018,660	$0	$3,018,660
EB-1.2	Power Line Rd to Lone Tree Rd	2	20%	$544,950	$0	$0	$0	$0	$0	$544,950	$0	$544,950
EB-2	Metro Pwky to Lone Tree Rd - Add 2 Lanes	3	30%	$1,637,334	$0	$0	$0	$0	$0	$1,637,334	$0	$1,637,334
EB-3	Lone Tree Rd to SR-99 - Add 2 Lanes	4	40%	$2,113,519	$0	$0	$0	$0	$0	$2,113,519	$0	$2,113,519
EB-4	Power Line Rd to Lone Tree Rd	5	60%	$1,713,376	$0	$0	$0	$0	$0	$1,713,376	$0	$1,713,376
EB-5	Lone Tree Rd to SR-99	5	60%	$1,057,020	$0	$0	$0	$0	$0	$1,057,020	$0	$1,057,020
EB-6	Airport Blvd to Power Line Rd	5	60%	$9,980,006	$0	$0	$0	$0	$0	$9,980,006	$0	$9,980,006
EB-7	Airport Blvd/Crossfield Inter. Reimb.	1AA	0%	$595,000	$0	$0	$0	$0	$0	$595,000	($595,000)	$0
ER-1	Power Line Rd to Lone Tree Rd	4	40%	$1,216,494	$0	$83,437	$292,358	$0	$0	$1,592,289	$0	$1,592,289
ER-2	Lone Tree Rd to SR-99	4	40%	$1,512,964	$0	$0	$0	$0	$0	$1,512,964	$0	$1,512,964
ER-3	Lone Tree Rd to SR-99	5	60%	$1,653,220	$0	$0	$0	$0	$0	$1,653,220	$0	$1,653,220
ER-4	Metro Pkwy to Lone Tree Rd	6	94%	$521,566	$0	$0	$0	$0	$0	$521,566	$0	$521,566
ESMT-1	Easements	1ABA	0%	$0	$0	$0	$0	$0	$275,000	$275,000	$0	$275,000
FS-1	Fire Station Facilities	1C	15%	$0	$0	$0	$0	$0	$8,400,000	$8,400,000	$0	$8,400,000
FS-2	Fire Station Facilities - Site Acquisition	1AA	0%	$0	$0	$0	$0	$0	$45,000	$45,000	($45,000)	$0
HCP-1	HCP Fee Payment	1AA	0%	$0	$0	$0	$0	$0	$2,963,000	$2,963,000	($2,963,000)	$0
HCP-2	Swainson Hawk Mitigation for Public Improv.	1AA	0%	$0	$0	$0	$0	$0	$3,300,000	$3,300,000	($3,300,000)	$0
HCP-2	Swainson Hawk Mitigation for Public Improv.	1ABA	0%	$0	$0	$0	$0	$0	$824,358	$824,358	$0	$824,358

Table A-3.1
Metro Air Park
Facility Costs (Sorted by Project Number)

Project Description		Phase	% Absorption	Roadway	Freeway	Drainage	Sewer (Non-CSD-1)	Water	Misc-ellaneous /1	Total	Series 2004A Bond-Funded Facilities Cost	Net Remaining Facilities Cost
I5-1	I-5/Metro Pkwy Inter. - Stage I	1AA	0%	$0	$1,214,679	$0	$0	$0	$0	$1,214,679	($1,214,679)	$0
I5-1	I-5/Metro Pkwy Inter. - Stage I	1ABA	0%	$0	$1,000,000	$0	$0	$0	$0	$1,000,000	$0	$1,000,000
I5-1	I-5/Metro Pkwy Inter. - Stage I	1C	15%	$0	$19,268,825	$0	$0	$0	$0	$19,268,825	$0	$19,268,825
I5-2	I-5/Metro Pkwy Inter. - Stage II	4	40%	$0	$2,027,352	$0	$0	$0	$0	$2,027,352	$0	$2,027,352
I5-3	I-5 Main Line Lanes	5	64%	$0	$7,246,852	$0	$0	$0	$0	$7,246,852	$0	$7,246,852
I5-4	I-5/Metro Pkwy Inter. - Final Stage	6	84%	$0	$9,048,191	$0	$0	$0	$0	$9,048,191	$0	$9,048,191
I5-5	I-5/Airport Blvd South Bound Exit Ramp	6	90%	$0	$483,314	$0	$0	$0	$0	$483,314	$0	$483,314
I5-6	I-5/Metro Pkwy Inter. - Stage I	1AA	0%	$0	$300,000	$0	$0	$0	$0	$300,000	($300,000)	$0
I5-6	I-5/Metro Pkwy Inter. - Stage I	1ABA	0%	$0	$300,000	$0	$0	$0	$0	$300,000	$0	$300,000
I5-7	I-5/Metro Pkwy Inter. - Stage I	1B	10%	$0	$719,200	$0	$0	$0	$0	$719,200	$0	$719,200
I5-8	T-Mobile Cell Tower Relocation	1ABA	0%	$0	$144,983	$0	$0	$0	$0	$144,983	$0	$144,983
I5-8	T-Mobile Cell Tower Relocation	1ABB	0%	$0	$178,617	$0	$0	$0	$0	$178,617	$0	$178,617
LTR-1	Meister Way to Elverta Rd	4	55%	$4,099,159	$0	$1,914,909	$1,747,054	$376,497	$0	$8,137,619	$0	$8,137,619
LTR-2	Road "F" to Road "A"	5	75%	$3,574,101	$0	$0	$0	$0	$0	$3,574,101	$0	$3,574,101
LTR-3	Road "A" to Elverta Rd	6	95%	$1,433,128	$0	$0	$0	$0	$0	$1,433,128	$0	$1,433,128
LTR-4	Lone Tree Road Snake Wall	1ABA	0%	$2,030,210	$0	$0	$0	$0	$0	$2,030,210	$0	$2,030,210
MP-1.1	I-5 to Elverta Rd - 2 Lanes	1AA	0%	$6,757,072	$0	$1,895,082	$1,880,172	$2,993,159	$0	$13,525,485	($13,525,485)	$0
MP-1.1	I-5 to Elverta Rd - 2 Lanes	1ABA	0%	$6,979,070	$0	$1,056,254	$321,814	$1,957,806	$0	$10,314,944	$0	$10,314,944
MP-1.2	I-5 to Elkhorn Blvd - Add 2 Lanes	2	20%	$3,179,975	$0	$0	$0	$0	$0	$3,179,975	$0	$3,179,975
MP-2	Elkhorn Blvd to Road "A" - Add 2 Lanes	3	30%	$3,243,003	$0	$0	$0	$0	$0	$3,243,003	$0	$3,243,003
MP-3	I-5 to Elverta Rd	5	60%	$2,085,377	$0	$0	$0	$0	$0	$2,085,377	$0	$2,085,377
MP-4	Road "A" to Elverta Rd	6	100%	$1,167,520	$0	$0	$0	$0	$0	$1,167,520	$0	$1,167,520
MW-1	Road "B" to Lone Tree Rd	4	45%	$1,808,222	$0	$250,784	$704,028	$400,992	$0	$3,164,026	$0	$3,164,026
MW-2	Lone Tree Rd to SR-99	6	80%	$1,123,286	$0	$0	$0	$0	$0	$1,123,286	$0	$1,123,286
MW-3	Lone Tree Rd to SR-99	6	97%	$603,538	$0	$0	$0	$0	$0	$603,538	$0	$603,538
PLR-1	I-5 Overcrossing to Elkhorn Blvd	3	35%	$842,993	$0	$0	$0	$177,612	$0	$1,020,605	$0	$1,020,605
PLR-2	Road "A" to Elverta Rd	4	55%	$1,338,966	$0	$0	$0	$633,694	$0	$1,972,660	$0	$1,972,660
PLR-3	Del Paso Rd to I-5 Overcrossing	6	97%	$2,711,184	$0	$0	$0	$0	$0	$2,711,184	$0	$2,711,184
RA-1	Metro Pkwy to Lone Tree Rd	4	55%	$2,045,639	$0	$379,598	$748,019	$0	$0	$3,173,256	$0	$3,173,256
RD1000-1	Del Paso Rd Culvert	1ABB	0%	$0	$0	$954,573	$0	$0	$0	$954,573	$0	$954,573
RD1000-2	Power Line Rd Culvert	2	20%	$0	$0	$975,020	$0	$0	$0	$975,020	$0	$975,020
RD1000-3	Canal Reach 4/5 Culverts	2	20%	$0	$0	$151,876	$0	$0	$0	$151,876	$0	$151,876
RD1000-5	Pump Station #3	1AA	0%	$0	$0	$1,061,749	$0	$0	$0	$1,061,749	($1,061,749)	$0
RD1000-6	Box Culvert/Pump Station Motor	1AA	0%	$0	$0	$497,200	$0	$0	$0	$497,200	($497,200)	$0
RD1000-7	Off-site R/W & Reach No. 8	3	30%	$0	$0	$2,024,110	$0	$0	$0	$2,024,110	$0	$2,024,110
RD1000-8	Airport/NCMWC Irrigation Pump	1AA	0%	$0	$0	$241,804	$0	$0	$0	$241,804	($241,804)	$0

Table A-3.1
Metro Air Park
Facility Costs (Sorted by Project Number)

Project Description		Phase	% Absorption	Roadway	Freeway	Drainage	Sewer (Non-CSD-1)	Water	Misc-ellaneous /1	Total	Series 2004A Bond-Funded Facilities Cost	Net Remaining Facilities Cost
RD1000-8	Airport/NCMWC Irrigation Pump	1ABA	0%	$0	$0	$152,318	$0	$0	$0	$152,318	$0	$152,318
RMB-1	Reimbursements	1AA	0%	$0	$0	$0	$0	$0	$1,100,000	$1,100,000	($1,100,000)	$0
RMB-2	Reimbursements	1AC	0%	$0	$0	$0	$0	$0	$1,400,000	$1,400,000	$0	$1,400,000
SBR-1	South Bayou Rd Surface Improvements	1ABB	0%	$201,308	$0	$0	$0	$0	$0	$201,308	$0	$201,308
SBR-1	South Bayou Rd Surface Improvements	1ABC	0%	$48,686	$0	$0	$0	$0	$0	$48,686	$0	$48,686
SBR-1	South Bayou Rd Realignment	1C	15%	$1,881,276	$0	$0	$0	$0	$0	$1,881,276	$0	$1,881,276
SBR-2	South Bayou Rd/Airport Blvd Intx	6	87%	$7,916	$0	$0	$0	$0	$0	$7,916	$0	$7,916
SMUD-1	Utility Company Contracts	1ABA	0%	$0	$0	$0	$0	$0	$2,000,000	$2,000,000	$0	$2,000,000
SR99-1.1	SR-99/Elverta Rd Intersection Widening	1AA	0%	$0	$378,720	$0	$0	$0	$0	$378,720	($378,720)	$0
SR99-1.1	SR-99/Elverta Rd Intersection Widening	1ABC	0%	$0	$1,429,782	$0	$0	$0	$0	$1,429,782	$0	$1,429,782
SR99-1.2	SR-99/Elkhorn Blvd Signalization	1AA	0%	$0	$126,240	$0	$0	$0	$0	$126,240	($126,240)	$0
SR99-1.2	SR-99/Elkhorn Blvd Signalization	1ABC	0%	$0	$515,330	$0	$0	$0	$0	$515,330	$0	$515,330
SR99-2	SR-99/Elkhorn Blvd Inter. Widening - Stage I	3	34%	$0	$5,228,377	$0	$0	$0	$0	$5,228,377	$0	$5,228,377
SR99-3	SR-99/Elverta Rd Intersection - Stage I	3	34%	$0	$9,922,114	$0	$0	$0	$0	$9,922,114	$0	$9,922,114
SR99-4	SR-99/Elkhorn Blvd Intr Widening - Stage II	4	54%	$0	$417,081	$0	$0	$0	$0	$417,081	$0	$417,081
SR99-5	Meister Way Overcrossing at SR-99	6	80%	$0	$3,982,895	$0	$0	$0	$0	$3,982,895	$0	$3,982,895
SR99-6	SR-99 Elkhorn Blvd Intr. - Final Stage	6	90%	$0	$2,784,596	$0	$0	$0	$0	$2,784,596	$0	$2,784,596
SR99-7	SR-99/Elverta Rd Inter. - Final Stage	6	90%	$0	$1,145,698	$0	$0	$0	$0	$1,145,698	$0	$1,145,698
SWR-2	Lift Station & Force Main	1AA	0%	$0	$0	$0	$230,864	$0	$0	$230,864	($230,864)	$0
SWR-2	Lift Station & Force Main	1ABA	0%	$0	$0	$0	$1,877	$0	$0	$1,877	$0	$1,877
SWR-4	Lift Station Upgrade	4	40%	$0	$0	$0	$0	$0	$0	$0	$0	$0
T-1	Light Rail (R/W Acquisition)	1AA	0%	$0	$0	$0	$0	$0	$330,000	$330,000	($330,000)	$0
T-2	Light Rail (Construction Contrib.)	6	100%	$0	$0	$0	$0	$0	$10,860,000	$10,860,000	$0	$10,860,000
T-3	Light Rail Station - Site Acquisition	1AA	0%	$0	$0	$0	$0	$0	$110,000	$110,000	($110,000)	$0
WTR-1	Elverta Rd Waterline	1AA	0%	$0	$0	$0	$0	$123,840	$0	$123,840	($123,840)	$0
WTR-1	Elverta Rd Waterline	1ABA	0%	$0	$0	$0	$0	$73,420	$0	$73,420	$0	$73,420
WTR-2	Lone Tree Rd Waterline	4	40%	$0	$0	$0	$0	$1,919,717	$0	$1,919,717	$0	$1,919,717
WTR-3	Road "A" Waterline	4	40%	$0	$0	$0	$0	$558,710	$0	$558,710	$0	$558,710
WTR-4	Road "I" Waterline	1AA	0%	$0	$0	$0	$0	$282,240	$0	$282,240	($282,240)	$0
WTR-4	Road "I" Waterline	1ABA	0%	$0	$0	$0	$0	$165,777	$0	$165,777	$0	$165,777
WTR-5.1	Road "A" Waterline	4	40%	$0	$0	$0	$0	$281,271	$0	$281,271	$0	$281,271
WTR-5.2-1	Storage Reservoir and Booster Plant	1ABA	0%	$0	$0	$0	$0	$10,207,160	$0	$10,207,160	$0	$10,207,160
WTR-5.2-2	Water Transmission Main	1ABA	0%	$0	$0	$0	$0	$2,722,500	$0	$2,722,500	$0	$2,722,500
WTR-5.2-3	Arterial Streets	1ABA	0%	$0	$0	$0	$0	$631,086	$0	$631,086	$0	$631,086
WTR-6	Purchase 1st Increment of City Water (1MGD)	1ABA	0%	$0	$0	$0	$0	$1,595,902	$0	$1,595,902	$0	$1,595,902
WTR-7	Storage Reservoir	4	50%	$0	$0	$0	$0	$2,942,446	$0	$2,942,446	$0	$2,942,446
WTR-9	Road "A" Waterline	4	55%	$0	$0	$0	$0	$183,260	$0	$183,260	$0	$183,260
Subtotal				$77,500,912	$67,862,846	$51,816,269	$6,708,971	$29,356,121	$31,607,358	$264,852,477	($63,472,190)	$201,380,287
Overall Project Cost Contingency (10.0%)				$7,750,091	$6,786,285	$5,181,627	$670,897	$2,935,612	$3,160,736	$26,485,248		$26,485,248
Total				**$85,251,003**	**$74,649,131**	**$56,997,896**	**$7,379,868**	**$32,291,733**	**$34,768,094**	**$291,337,725**	**($63,472,190)**	**$227,865,535**

/1 Miscellaneous costs include transit facilities, fire service facilities, mitigation fees for the Giant Garter Snake and the Swainson Hawk, staff costs, and soft cost bond refunding.

Source: Stantec Consulting Inc.; Goodwin Consulting Group, Inc.

Table A-3.2
Metro Air Park
Facility Costs (Sorted by Phase)

Project Description		Phase	% Absorption	Roadway	Freeway	Drainage	Sewer (Non-CSD-1)	Water	Misc-ellaneous /1	Grand Total	Series 2004A Bond-Funded Facilities Cost	Net Remaining Facilities Cost
MP-1.1	I-5 to Elverta Rd - 2 Lanes	1AA	0%	$6,757,072	$0	$1,895,082	$1,880,172	$2,993,159	$0	$13,525,485	($13,525,485)	$0
EB-1.1	Power Line Rd to Lone Tree Rd - 2 Lanes	1AA	0%	$3,438,034	$0	$1,017,114	$782,785	$824,654	$0	$6,062,587	($6,062,587)	$0
DRN-1.1	Road "B"/Meister Way Outfall	1AA	0%	$0	$0	$690,389	$0	$0	$0	$690,389	($690,389)	$0
DRN-2.1	Road "G" Drain Line	1AA	0%	$0	$0	$278,173	$0	$0	$0	$278,173	($278,173)	$0
DRN-3	Det/Water Qual Facilities-Open Space	1AA	0%	$0	$0	$3,439,666	$0	$0	$0	$3,439,666	($3,439,666)	$0
DRN-4	Det/Water Qual Facilities-Open Space	1AA	0%	$0	$0	$4,327,110	$0	$0	$0	$4,327,110	($4,327,110)	$0
DRN-5	Det/Water Qual Basins & Drainage Facilities	1AA	0%	$0	$0	$8,548,744	$0	$0	$0	$8,548,744	($8,548,744)	$0
DRN-6.1	Earthwork Balance & Off-site NCMWC Facilities	1AA	0%	$0	$0	$5,539,000	$0	$0	$0	$5,539,000	($5,539,000)	$0
DRN-9	Pump Station (South)	1AA	0%	$0	$0	$7,814,259	$0	$0	$0	$7,814,259	($7,814,259)	$0
DRN-14.1	Road "F" Drain Line	1AA	0%	$0	$0	$346,441	$0	$0	$0	$346,441	($346,441)	$0
RD1000-5	Pump Station #3	1AA	0%	$0	$0	$1,061,749	$0	$0	$0	$1,061,749	($1,061,749)	$0
RD1000-6	Box Culvert/Pump Station Motor	1AA	0%	$0	$0	$497,200	$0	$0	$0	$497,200	($497,200)	$0
RD1000-8	Airport/NCMWC Irrigation Pump	1AA	0%	$0	$0	$241,804	$0	$0	$0	$241,804	($241,804)	$0
SWR-2	Lift Station & Force Main	1AA	0%	$0	$0	$0	$230,864	$0	$0	$230,864	($230,864)	$0
WTR-1	Elverta Rd Waterline	1AA	0%	$0	$0	$0	$0	$123,840	$0	$123,840	($123,840)	$0
WTR-4	Road "I" Waterline	1AA	0%	$0	$0	$0	$0	$282,240	$0	$282,240	($282,240)	$0
HCP-1	HCP Fee Payment	1AA	0%	$0	$0	$0	$0	$0	$2,963,000	$2,963,000	($2,963,000)	$0
HCP-2	Swainson Hawk Mitigation for Public Improv.	1AA	0%	$0	$0	$0	$0	$0	$3,300,000	$3,300,000	($3,300,000)	$0
SR99-1.1	SR-99/Elverta Rd Intersection Widening	1AA	0%	$0	$378,720	$0	$0	$0	$0	$378,720	($378,720)	$0
SR99-1.2	SR-99/Elkhorn Blvd Signalization	1AA	0%	$0	$126,240	$0	$0	$0	$0	$126,240	($126,240)	$0
EB-7	Airport Blvd/Crossfield Inter. Reimb.	1AA	0%	$595,000	$0	$0	$0	$0	$0	$595,000	($595,000)	$0
I5-1	I-5/Metro Pkwy Inter. - Stage I	1AA	0%	$0	$1,214,679	$0	$0	$0	$0	$1,214,679	($1,214,679)	$0
I5-6	I-5/Metro Pkwy Inter. - Stage I	1AA	0%	$0	$300,000	$0	$0	$0	$0	$300,000	($300,000)	$0
FS-2	Fire Station Facilities - Site Acquisition	1AA	0%	$0	$0	$0	$0	$0	$45,000	$45,000	($45,000)	$0
T-1	Light Rail (R/W Acquisition)	1AA	0%	$0	$0	$0	$0	$0	$330,000	$330,000	($330,000)	$0
T-3	Light Rail Station - Site Acquisition	1AA	0%	$0	$0	$0	$0	$0	$110,000	$110,000	($110,000)	$0
RMB-1	Reimbursements	1AA	0%	$0	$0	$0	$0	$0	$1,100,000	$1,100,000	($1,100,000)	$0
MP-1.1	I-5 to Elverta Rd - 2 Lanes	1ABA	0%	$6,979,070	$0	$1,056,254	$321,814	$1,957,806	$0	$10,314,944	$0	$10,314,944
EB-1.1	Power Line Rd to Lone Tree Rd - 2 Lanes	1ABA	0%	$2,303,928	$0	$410,354	$0	$304,378	$0	$3,018,660	$0	$3,018,660
DRN-1.1	Road "B"/Meister Way Outfall	1ABA	0%	$0	$0	$379,413	$0	$0	$0	$379,413	$0	$379,413
DRN-2.1	Road "G" Drain Line	1ABA	0%	$0	$0	$37,019	$0	$0	$0	$37,019	$0	$37,019
DRN-6.1-2	Earthwork Balance & Offsite NCMWC Facilities	1ABA	0%	$0	$0	$3,268,220	$0	$0	$0	$3,268,220	$0	$3,268,220
DRN-6.1-4	South Lake Pump Station	1ABA	0%	$0	$0	$195,200	$0	$0	$0	$195,200	$0	$195,200
DRN-14.1	Road "F" Drain Line	1ABA	0%	$0	$0	$161,952	$0	$0	$0	$161,952	$0	$161,952
RD1000-8	Airport/NCMWC Irrigation Pump	1ABA	0%	$0	$0	$152,318	$0	$0	$0	$152,318	$0	$152,318

Table A-3.2
Metro Air Park
Facility Costs (Sorted by Phase)

Project Description		Phase	% Absorption	Roadway	Freeway	Drainage	Sewer (Non-CSD-1)	Water	Misc-ellaneous /1	Grand Total	Series 2004A Bond-Funded Facilities Cost	Net Remaining Facilities Cost
SWR-2	Lift Station & Force Main	1ABA	0%	$0	$0	$0	$1,877	$0	$0	$1,877	$0	$1,877
WTR-1	Elverta Rd Waterline	1ABA	0%	$0	$0	$0	$0	$73,420	$0	$73,420	$0	$73,420
WTR-4	Road "I" Waterline	1ABA	0%	$0	$0	$0	$0	$165,777	$0	$165,777	$0	$165,777
WTR-5.2-1	Storage Reservoir and Booster Plant	1ABA	0%	$0	$0	$0	$0	$10,207,160	$0	$10,207,160	$0	$10,207,160
WTR-5.2-2	Water Transmission Main	1ABA	0%	$0	$0	$0	$0	$2,722,500	$0	$2,722,500	$0	$2,722,500
WTR-5.2-3	Arterial Streets	1ABA	0%	$0	$0	$0	$0	$631,086	$0	$631,086	$0	$631,086
I5-1	I-5/Metro Pkwy Inter. - Stage I	1ABA	0%	$0	$1,000,000	$0	$0	$0	$0	$1,000,000	$0	$1,000,000
I5-6	I-5/Metro Pkwy Inter. - Stage I	1ABA	0%	$0	$300,000	$0	$0	$0	$0	$300,000	$0	$300,000
HCP-2	Swainson Hawk Mitigation for Public Improv.	1ABA	0%	$0	$0	$0	$0	$0	$824,358	$824,358	$0	$824,358
ESMT-1	Easements	1ABA	0%	$0	$0	$0	$0	$0	$275,000	$275,000	$0	$275,000
SMUD-1	Utility Company Contracts	1ABA	0%	$0	$0	$0	$0	$0	$2,000,000	$2,000,000	$0	$2,000,000
WTR-6	Purchase 1st Increment of City Water (1MGD)	1ABA	0%	$0	$0	$0	$0	$1,595,902	$0	$1,595,902	$0	$1,595,902
LTR-4	Lone Tree Road Snake Wall	1ABA	0%	$2,030,210	$0	$0	$0	$0	$0	$2,030,210	$0	$2,030,210
I5-8	T-Mobile Cell Tower Relocation	1ABA	0%	$0	$144,983	$0	$0	$0	$0	$144,983	$0	$144,983
DRN-9	Pump Station (South)	1ABB	0%	$0	$0	$1,865,502	$0	$0	$0	$1,865,502	$0	$1,865,502
RD1000-1	Del Paso Rd Culvert	1ABB	0%	$0	$0	$954,573	$0	$0	$0	$954,573	$0	$954,573
I5-8	T-Mobile Cell Tower Relocation	1ABB	0%	$0	$178,617	$0	$0	$0	$0	$178,617	$0	$178,617
SBR-1	South Bayou Rd Surface Improvements	1ABB	0%	$201,308	$0	$0	$0	$0	$0	$201,308	$0	$201,308
SR99-1.1	SR-99/Elverta Rd Intersection Widening	1ABC	0%	$0	$1,429,782	$0	$0	$0	$0	$1,429,782	$0	$1,429,782
SR99-1.2	SR-99/Elkhorn Blvd Signalization	1ABC	0%	$0	$515,330	$0	$0	$0	$0	$515,330	$0	$515,330
SBR-1	South Bayou Rd Surface Improvements	1ABC	0%	$48,686	$0	$0	$0	$0	$0	$48,686	$0	$48,686
RMB-2	Reimbursements	1AC	0%	$0	$0	$0	$0	$0	$1,400,000	$1,400,000	$0	$1,400,000
I5-7	I-5/Metro Pkwy Inter. - Stage I	1B	10%	$0	$719,200	$0	$0	$0	$0	$719,200	$0	$719,200
I5-1	I-5/Metro Pkwy Inter. - Stage I	1C	15%	$0	$19,268,825	$0	$0	$0	$0	$19,268,825	$0	$19,268,825
SBR-1	South Bayou Rd Realignment	1C	15%	$1,881,276	$0	$0	$0	$0	$0	$1,881,276	$0	$1,881,276
FS-1	Fire Station Facilities	1C	15%	$0	$0	$0	$0	$0	$8,400,000	$8,400,000	$0	$8,400,000
MP-1.2	I-5 to Elkhorn Blvd - Add 2 Lanes	2	20%	$3,179,975	$0	$0	$0	$0	$0	$3,179,975	$0	$3,179,975
EB-1.2	Power Line Rd to Lone Tree Rd	2	20%	$544,950	$0	$0	$0	$0	$0	$544,950	$0	$544,950
RD1000-2	Power Line Rd Culvert	2	20%	$0	$0	$975,020	$0	$0	$0	$975,020	$0	$975,020
RD1000-3	Canal Reach 4/5 Culverts	2	20%	$0	$0	$151,876	$0	$0	$0	$151,876	$0	$151,876
DRN-10	Pump Station Upgrade (South)	3	30%	$0	$0	$858,000	$0	$0	$0	$858,000	$0	$858,000
RD1000-7	Off-site R/W & Reach No. 8	3	30%	$0	$0	$2,024,110	$0	$0	$0	$2,024,110	$0	$2,024,110
MP-2	Elkhorn Blvd to Road "A" - Add 2 Lanes	3	30%	$3,243,003	$0	$0	$0	$0	$0	$3,243,003	$0	$3,243,003
EB-2	Metro Pwky to Lone Tree Rd - Add 2 Lanes	3	30%	$1,637,334	$0	$0	$0	$0	$0	$1,637,334	$0	$1,637,334

Table A-3.2
Metro Air Park
Facility Costs (Sorted by Phase)

Project Description		Phase	% Absorption	Roadway	Freeway	Drainage	Sewer (Non-CSD-1)	Water	Misc-ellaneous /1	Grand Total	Series 2004A Bond-Funded Facilities Cost	Net Remaining Facilities Cost
SR99-2	SR-99/Elkhorn Blvd Inter. Widening - Stage I	3	34%	$0	$5,228,377	$0	$0	$0	$0	$5,228,377	$0	$5,228,377
SR99-3	SR-99/Elverta Rd Intersection - Stage I	3	34%	$0	$9,922,114	$0	$0	$0	$0	$9,922,114	$0	$9,922,114
PLR-1	I-5 Overcrossing to Elkhorn Blvd	3	35%	$842,993	$0	$0	$0	$177,612	$0	$1,020,605	$0	$1,020,605
WTR-2	Lone Tree Rd Waterline	4	40%	$0	$0	$0	$0	$1,919,717	$0	$1,919,717	$0	$1,919,717
WTR-3	Road "A" Waterline	4	40%	$0	$0	$0	$0	$558,710	$0	$558,710	$0	$558,710
WTR-5.1	Road "A" Waterline	4	40%	$0	$0	$0	$0	$281,271	$0	$281,271	$0	$281,271
I5-2	I-5/Metro Pkwy Inter. - Stage II	4	40%	$0	$2,027,352	$0	$0	$0	$0	$2,027,352	$0	$2,027,352
SWR-4	Lift Station Upgrade	4	40%	$0	$0	$0	$0	$0	$0	$0	$0	$0
EB-3	Lone Tree Rd to SR-99 - Add 2 Lanes	4	40%	$2,113,519	$0	$0	$0	$0	$0	$2,113,519	$0	$2,113,519
DRN-11	Pump Station Upgrade (South)	4	40%	$0	$0	$1,001,000	$0	$0	$0	$1,001,000	$0	$1,001,000
ER-1	Power Line Rd to Lone Tree Rd	4	40%	$1,216,494	$0	$83,437	$292,358	$0	$0	$1,592,289	$0	$1,592,289
ER-2	Lone Tree Rd to SR-99	4	40%	$1,512,964	$0	$0	$0	$0	$0	$1,512,964	$0	$1,512,964
MW-1	Road "B" to Lone Tree Rd	4	45%	$1,808,222	$0	$250,784	$704,028	$400,992	$0	$3,164,026	$0	$3,164,026
WTR-7	Storage Reservoir	4	50%	$0	$0	$0	$0	$2,942,446	$0	$2,942,446	$0	$2,942,446
SR99-4	SR-99/Elkhorn Blvd Intr Widening - Stage II	4	54%	$0	$417,081	$0	$0	$0	$0	$417,081	$0	$417,081
WTR-9	Road "A" Waterline	4	55%	$0	$0	$0	$0	$183,260	$0	$183,260	$0	$183,260
LTR-1	Meister Way to Elverta Rd	4	55%	$4,099,159	$0	$1,914,909	$1,747,054	$376,497	$0	$8,137,619	$0	$8,137,619
RA-1	Metro Pkwy to Lone Tree Rd	4	55%	$2,045,639	$0	$379,598	$748,019	$0	$0	$3,173,256	$0	$3,173,256
PLR-2	Road "A" to Elverta Rd	4	55%	$1,338,966	$0	$0	$0	$633,694	$0	$1,972,660	$0	$1,972,660
EB-4	Power Line Rd to Lone Tree Rd	5	60%	$1,713,376	$0	$0	$0	$0	$0	$1,713,376	$0	$1,713,376
EB-6	Airport Blvd to Power Line Rd	5	60%	$9,980,006	$0	$0	$0	$0	$0	$9,980,006	$0	$9,980,006
ER-3	Lone Tree Rd to SR-99	5	60%	$1,653,220	$0	$0	$0	$0	$0	$1,653,220	$0	$1,653,220
EB-5	Lone Tree Rd to SR-99	5	60%	$1,057,020	$0	$0	$0	$0	$0	$1,057,020	$0	$1,057,020
MP-3	I-5 to Elverta Rd	5	60%	$2,085,377	$0	$0	$0	$0	$0	$2,085,377	$0	$2,085,377
I5-3	I-5 Main Line Lanes	5	64%	$0	$7,246,852	$0	$0	$0	$0	$7,246,852	$0	$7,246,852
LTR-2	Road "F" to Road "A"	5	75%	$3,574,101	$0	$0	$0	$0	$0	$3,574,101	$0	$3,574,101
MW-2	Lone Tree Rd to SR-99	6	80%	$1,123,286	$0	$0	$0	$0	$0	$1,123,286	$0	$1,123,286
SR99-5	Meister Way Overcrossing at SR-99	6	80%	$0	$3,982,895	$0	$0	$0	$0	$3,982,895	$0	$3,982,895
I5-4	I-5/Metro Pkwy Inter. - Final Stage	6	84%	$0	$9,048,191	$0	$0	$0	$0	$9,048,191	$0	$9,048,191
SBR-2	South Bayou Rd/Airport Blvd Intx	6	87%	$7,916	$0	$0	$0	$0	$0	$7,916	$0	$7,916
I5-5	I-5/Airport Blvd South Bound Exit Ramp	6	90%	$0	$483,314	$0	$0	$0	$0	$483,314	$0	$483,314
SR99-6	SR-99 Elkhorn Blvd Intr. - Final Stage	6	90%	$0	$2,784,596	$0	$0	$0	$0	$2,784,596	$0	$2,784,596
SR99-7	SR-99/Elverta Rd Inter. - Final Stage	6	90%	$0	$1,145,698	$0	$0	$0	$0	$1,145,698	$0	$1,145,698
ER-4	Metro Pkwy to Lone Tree Rd	6	94%	$521,566	$0	$0	$0	$0	$0	$521,566	$0	$521,566
DPR-1	Power Line Rd to City Limits	6	94%	$2,051,871	$0	$0	$0	$0	$0	$2,051,871	$0	$2,051,871
LTR-3	Road "A" to Elverta Rd	6	95%	$1,433,128	$0	$0	$0	$0	$0	$1,433,128	$0	$1,433,128
PLR-3	Del Paso Rd to I-5 Overcrossing	6	97%	$2,711,184	$0	$0	$0	$0	$0	$2,711,184	$0	$2,711,184
MW-3	Lone Tree Rd to SR-99	6	97%	$603,538	$0	$0	$0	$0	$0	$603,538	$0	$603,538
MP-4	Road "A" to Elverta Rd	6	100%	$1,167,520	$0	$0	$0	$0	$0	$1,167,520	$0	$1,167,520
T-2	Light Rail (Construction Contrib.)	6	100%	$0	$0	$0	$0	$0	$10,860,000	$10,860,000	$0	$10,860,000
Subtotal				$77,500,912	$67,862,846	$51,816,269	$6,708,971	$29,356,121	$31,607,358	$264,852,477	($63,472,190)	$201,380,287
Overall Project Cost Contingency (10.0%)				$7,750,091	$6,786,285	$5,181,627	$670,897	$2,935,612	$3,160,736	$26,485,248		$26,485,248
Total				**$85,251,003**	**$74,649,131**	**$56,997,896**	**$7,379,868**	**$32,291,733**	**$34,768,094**	**$291,337,725**	**($63,472,190)**	**$227,865,535**

/1 Miscellaneous costs include transit facilities, fire service facilities, mitigation fees for the Giant Garter Snake and the Swainson Hawk, staff costs, and soft cost bond refunding.

Source: Stantec Consulting Inc.; Goodwin Consulting Group, Inc.

Table A-4
Metro Air Park
Facility Cost Phasing Summary

Facilities	0% of Benefit Unit Absorption	10% of Benefit Unit Absorption	15% of Benefit Unit Absorption	20% of Benefit Unit Absorption	30% of Benefit Unit Absorption	34% of Benefit Unit Absorption	35% of Benefit Unit Absorption	40% of Benefit Unit Absorption	45% of Benefit Unit Absorption	50% of Benefit Unit Absorption	54% of Benefit Unit Absorption	55% of Benefit Unit Absorption	60% of Benefit Unit Absorption
Roadway	$22,353,309	$0	$1,881,276	$3,724,925	$4,880,337	$0	$842,993	$4,842,977	$1,808,222	$0	$0	$7,483,764	$16,488,999
Freeway	$5,588,351	$719,200	$19,268,825	$0	$0	$15,150,491	$0	$2,027,352	$0	$0	$417,081	$0	$0
Drainage	$44,177,535	$0	$0	$1,126,896	$2,882,110	$0	$0	$1,084,437	$250,784	$0	$0	$2,294,507	$0
Sewer (Non-CSD-1)	$3,217,512	$0	$0	$0	$0	$0	$0	$292,358	$704,028	$0	$0	$2,495,073	$0
Water	$21,881,922	$0	$0	$0	$0	$0	$177,612	$2,759,698	$400,992	$2,942,446	$0	$1,193,451	$0
Miscellaneous	$12,347,358	$0	$8,400,000	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Subtotal	**$109,565,987**	**$719,200**	**$29,550,101**	**$4,851,821**	**$7,762,447**	**$15,150,491**	**$1,020,605**	**$11,006,822**	**$3,164,026**	**$2,942,446**	**$417,081**	**$13,466,795**	**$16,488,999**

Facilities	64% of Benefit Unit Absorption	75% of Benefit Unit Absorption	80% of Benefit Unit Absorption	84% of Benefit Unit Absorption	87% of Benefit Unit Absorption	90% of Benefit Unit Absorption	94% of Benefit Unit Absorption	95% of Benefit Unit Absorption	97% of Benefit Unit Absorption	100% of Benefit Unit Absorption	SUBTOTAL	Overall Project Contingency (10.0%)	TOTAL
Roadway	$0	$3,574,101	$1,123,286	$0	$7,916	$0	$2,573,437	$1,433,128	$3,314,722	$1,167,520	$77,500,912	$7,750,091	**$85,251,003**
Freeway	$7,246,852	$0	$3,982,895	$9,048,191	$0	$4,413,608	$0	$0	$0	$0	$67,862,846	$6,786,285	**$74,649,131**
Drainage	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$51,816,269	$5,181,627	**$56,997,896**
Sewer (Non-CSD-1)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$6,708,971	$670,897	**$7,379,868**
Water	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$29,356,121	$2,935,612	**$32,291,733**
Miscellaneous	$0	$0	$0	$0	$0	$0	$0	$0	$0	$10,860,000	$31,607,358	$3,160,736	**$34,768,094**
Subtotal	**$7,246,852**	**$3,574,101**	**$5,106,181**	**$9,048,191**	**$7,916**	**$4,413,608**	**$2,573,437**	**$1,433,128**	**$3,314,722**	**$12,027,520**	**$264,852,477**	**$26,485,248**	**$291,337,725**

Source: Stantec Consulting Inc.; Goodwin Consulting Group, Inc. *12/11/2007*

Table A-5
Metro Air Park
Capital Facility Benefit Units

	Capital Facility:	Roadway Facility Costs	Freeway Facility Costs	Drainage Facility Costs	Sewer (Non-CSD-1) Facility Costs	Water Facility Costs	Miscellaneous Facility Costs
Land Use	**Benefit Unit:**	**PM Peak Hour Trips**	**PM Peak Hour Trips**	**Percent Impervious**	**Sewer EDU**	**Domestic Service Squared**	**per Acre**
Zone 1	Distribution/Manufacturing	0.56 per 1,000 SF	0.56 per 1,000 SF	0.85 per acre	0.10 per 1,000 SF	3.94 per 5 acres	per acre
Zone 2	Airport Related	0.57 per 1,000 SF	0.57 per 1,000 SF	0.85 per acre	0.10 per 1,000 SF	3.94 per 5 acres	per acre
Zone 3	R&D/High Tech	1.08 per 1,000 SF	1.08 per 1,000 SF	0.90 per acre	0.20 per 1,000 SF	9.00 per 5 acres	per acre
Zone 4	Office & Professional	1.61 per 1,000 SF	1.61 per 1,000 SF	0.89 per acre	0.19 per 1,000 SF	8.28 per 5 acres	per acre
Zone 5	Retail/Hotel/Other	1.54 per 1,000 SF	1.54 per 1,000 SF	0.90 per acre	0.20 per 1,000 SF	9.36 per 5 acres	per acre
Zone 6	Golf Course Clubhouse	2.74 per hole	2.74 per hole	0.90 per acre	1.28 per hole	4.00 per 5 acres	per acre

Source: Stantec Consulting Inc.; Goodwin Consulting Group, Inc. *12/11/2007*

APPENDIX B

COST ALLOCATION ANALYSIS

Table B-1A
Metro Air Park
Cost Allocation Table
Roadway Facility Costs

Total Cost: **$85,251,003**

Land Use		Total Net Acres	Total SF or Holes	PM Peak Hour Trips per 1,000 SF or per Hole	Total Trips	Percent Distribution	Total Cost	Cost per SF or per Hole	Cost per Net Acre
Zone 1	Distribution/Manufacturing	518.8	7,339,000	0.56	4,109.8	20.0%	$17,046,103	$2.32	$32,857
Zone 2	Airport Related	274.4	3,676,000	0.57	2,095.3	10.2%	$8,690,616	$2.36	$31,671
Zone 3	R&D/High Tech	161.4	2,109,000	1.08	2,277.7	11.1%	$9,447,144	$4.48	$58,532
Zone 4	Office & Professional	116.9	2,254,000	1.61	3,628.9	17.7%	$15,051,507	$6.68	$128,755
Zone 5	Retail/Hotel/Other	330.4	5,450,000	1.54	8,393.0	40.8%	$34,811,073	$6.39	$105,360
Zone 6	Golf Course Clubhouse	5.0	18	2.74	49.3	0.2%	$204,561	$11,365	$40,912
Total		**1,406.9**	**N/A**	**N/A**	**20,554.1**	**100.0%**	**$85,251,003**	**N/A**	**N/A**

Source: Goodwin Consulting Group, Inc.

12/11/2007

Table B-1B
Metro Air Park
Cost Allocation Table
Freeway Facility Costs

Total Cost: **$74,649,131**

Land Use		Total Net Acres	Total SF or Holes	PM Peak Hour Trips per 1,000 SF or per Hole	Total Trips	Percent Distribution	Total Cost	Cost per SF or per Hole	Cost per Net Acre
Zone 1	Distribution/Manufacturing	518.8	7,339,000	0.56	4,109.8	20.0%	$14,926,238	$2.03	$28,771
Zone 2	Airport Related	274.4	3,676,000	0.57	2,095.3	10.2%	$7,609,845	$2.07	$27,733
Zone 3	R&D/High Tech	161.4	2,109,000	1.08	2,277.7	11.1%	$8,272,291	$3.92	$51,253
Zone 4	Office & Professional	116.9	2,254,000	1.61	3,628.9	17.7%	$13,179,691	$5.85	$112,743
Zone 5	Retail/Hotel/Other	330.4	5,450,000	1.54	8,393.0	40.8%	$30,481,944	$5.59	$92,258
Zone 6	Golf Course Clubhouse	5.0	18	2.74	49.3	0.2%	$179,122	$9,951	$35,824
Total		**1,406.9**	**N/A**	**N/A**	**20,554.1**	**100.0%**	**$74,649,131**	**N/A**	**N/A**

Source: Goodwin Consulting Group, Inc. *12/11/2007*

Table B-1C
Metro Air Park
Cost Allocation Table
Drainage Facility Costs

Total Cost: **$56,997,896**

Land Use		Total Net Acres	Total SF or Holes	Percent Impervious per Acre	Total Drainage EDUs	Distribution	Total Cost	Cost per SF or per Hole	Cost per Net Acre
Zone 1	Distribution/Manufacturing	518.8	7,339,000	0.85	441.0	36.0%	$20,511,932	$2.79	$39,537
Zone 2	Airport Related	274.4	3,676,000	0.85	233.2	19.0%	$10,849,025	$2.95	$39,537
Zone 3	R&D/High Tech	161.4	2,109,000	0.90	145.3	11.9%	$6,756,686	$3.20	$41,863
Zone 4	Office & Professional	116.9	2,254,000	0.89	104.0	8.5%	$4,839,408	$2.15	$41,398
Zone 5	Retail/Hotel/Other	330.4	5,450,000	0.90	297.4	24.3%	$13,831,530	$2.54	$41,863
Zone 6	Golf Course Clubhouse	5.0	18	0.90	4.5	0.4%	$209,315	$11,629	$41,863
Total		**1,406.9**	**20,828,018**	**N/A**	**1,225.4**	**100.0%**	**$56,997,896**	**N/A**	**N/A**

Source: Goodwin Consulting Group, Inc.

12/11/2007

Table B-1D
Metro Air Park
Cost Allocation Table
Sewer (Non-CSD-1) Facility Costs

Total Cost:	**$7,379,868**

Land Use		**Total Net Acres**	**Total SF or Holes**	**Sewer EDUs per 1,000 SF or per Hole**	**Total Sewer EDUs**	**Percent Distribution**	**Total Cost**	**Cost per SF or per Hole**	**Cost per Net Acre**
Zone 1	Distribution/Manufacturing	518.8	7,339,000	0.10	733.9	23.9%	$1,767,306	$0.24	$3,407
Zone 2	Airport Related	274.4	3,676,000	0.10	367.6	12.0%	$885,218	$0.24	$3,226
Zone 3	R&D/High Tech	161.4	2,109,000	0.20	421.8	13.8%	$1,015,737	$0.48	$6,293
Zone 4	Office & Professional	116.9	2,254,000	0.19	428.3	14.0%	$1,031,294	$0.46	$8,822
Zone 5	Retail/Hotel/Other	330.4	5,450,000	0.20	1,090.0	35.6%	$2,624,831	$0.48	$7,944
Zone 6	Golf Course Clubhouse	5.0	18	1.28	23.0	0.8%	$55,483	$3,082	$11,097
Total		**1,406.9**	**N/A**	**N/A**	**3,064.6**	**100.0%**	**$7,379,868**	**N/A**	**N/A**

Source: Goodwin Consulting Group, Inc.

12/11/2007

Table B-1E
Metro Air Park
Cost Allocation Table
Water Facility Costs

Total Cost:	**$32,291,733**

Land Use		**Total Net Acres**	**Total SF or Holes**	**Domestic Service Squared (DSS)**	**Water EDUs (Net Acres * DSS/5.0)**	**Percent Distribution**	**Total Cost Allocation**	**Cost per SF or per Hole**	**Cost per Net Acre**
Zone 1	Distribution/Manufacturing	518.8	7,339,000	3.94	408.8	23.6%	$7,623,523	$1.04	$14,695
Zone 2	Airport Related	274.4	3,676,000	3.94	216.2	12.5%	$4,032,179	$1.10	$14,695
Zone 3	R&D/High Tech	161.4	2,109,000	9.00	290.5	16.8%	$5,417,583	$2.57	$33,566
Zone 4	Office & Professional	116.9	2,254,000	8.28	193.6	11.2%	$3,609,976	$1.60	$30,881
Zone 5	Retail/Hotel/Other	330.4	5,450,000	9.36	618.5	35.7%	$11,533,880	$2.12	$34,909
Zone 6	Golf Course Clubhouse	5.0	18	4.00	4.0	0.2%	$74,592	$4,144	$14,918
Total		**1,406.9**	**20,828,018**	**N/A**	**1,731.7**	**100.0%**	**$32,291,733**	**N/A**	**N/A**

Source: Goodwin Consulting Group, Inc. *12/11/2007*

Table B-1F
Metro Air Park
Cost Allocation Table
Miscellaneous Facility Costs /1

Total Cost: $34,768,094

Land Use		Total Net Acres	Total SF or Holes	Percent Distribution	Total Costs	Cost per SF or per Hole	Cost per Net Acre
Zone 1	Distribution/Manufacturing	518.8	7,339,000	36.9%	$12,820,874	$1.75	$24,713
Zone 2	Airport Related	274.4	3,676,000	19.5%	$6,781,125	$1.84	$24,713
Zone 3	R&D/High Tech	161.4	2,109,000	11.5%	$3,988,606	$1.89	$24,713
Zone 4	Office & Professional	116.9	2,254,000	8.3%	$2,888,898	$1.28	$24,713
Zone 5	Retail/Hotel/Other	330.4	5,450,000	23.5%	$8,165,028	$1.50	$24,713
Zone 6	Golf Course Clubhouse	5.0	18	0.4%	$123,563	$6,865	$24,713
Total		**1,406.9**	**20,828,018**	**100.0%**	**$34,768,094**	**N/A**	**N/A**

/1 Miscellaneous facility costs include transit facilities, fire service facilities, mitigation fees for the Giant Garter Snake and the Swainson Hawk, staff costs, and soft cost bond refunding.

Source: Goodwin Consulting Group, Inc. *12/11/2007*

Table B-2
Metro Air Park
Cost Allocation Summary
Gross Metro Air Park Fee /1

		Roadway	Freeway	Drainage	Sewer (Non-CSD-1)	Water	Miscellaneous		
Facilities:		**Roadway Facility Costs**	**Freeway Facility Costs**	**Drainage Facility Costs**	**Sewer (Non-CSD-1) Facility Costs**	**Water Facility Costs**	**Miscellaneous Facility Costs**	**Cost Allocation / Gross Impact Fee**	**Facility Costs**
Benefit Units:		**PM Peak Hour Trips**	**PM Peak Hour Trips**	**Percent Impervious**	**Sewer EDU**	**Domestic Service Squared**	**per Acre**		
Capital Costs: /2		$85,251,003	$74,649,131	$56,997,896	$7,379,868	$32,291,733	$34,768,094		$291,338,000
				Cost per Building Square Foot or per Hole				(per SF or per Hole)	
Zone 1	Distribution/Manufacturing	$2.32	$2.03	$2.79	$0.24	$1.04	$1.75	$10.18	$74,695,975
Zone 2	Airport Related	$2.36	$2.07	$2.95	$0.24	$1.10	$1.84	$10.57	$38,848,008
Zone 3	R&D/High Tech	$4.48	$3.92	$3.20	$0.48	$2.57	$1.89	$16.55	$34,898,047
Zone 4	Office & Professional	$6.68	$5.85	$2.15	$0.46	$1.60	$1.28	$18.01	$40,600,773
Zone 5	Retail/Hotel/Other	$6.39	$5.59	$2.54	$0.48	$2.12	$1.50	$18.61	$101,448,286
Zone 6	Golf Course Clubhouse /3	$11,365	$9,951	$11,629	$3,082	$4,144	$6,865	$47,035	$846,635
Total									**$291,338,000**
				Cost per Acre				(per acre)	
Zone 1	Distribution/Manufacturing	$32,857	$28,771	$39,537	$3,407	$14,695	$24,713	$143,978	$74,695,975
Zone 2	Airport Related	$31,671	$27,733	$39,537	$3,226	$14,695	$24,713	$141,574	$38,848,008
Zone 3	R&D/High Tech	$58,532	$51,253	$41,863	$6,293	$33,566	$24,713	$216,221	$34,898,047
Zone 4	Office & Professional	$128,755	$112,743	$41,398	$8,822	$30,881	$24,713	$347,312	$40,600,773
Zone 5	Retail/Hotel/Other	$105,360	$92,258	$41,863	$7,944	$34,909	$24,713	$307,047	$101,448,286
Zone 6	Golf Course Clubhouse /3	$40,912	$35,824	$41,863	$11,097	$14,918	$24,713	$169,327	$846,635
Total									**$291,338,000**

/1 Gross impact fee prior to consideration of debt financing.
/2 Includes 10% overall project contingency
/3 Cost allocation for Zoning District 6 applies only to the five acres associated with the golf course clubhouse, driving range, and ancillary structures.

Source: Goodwin Consulting Group, Inc. *12/11/2007*

Table B-3
Metro Air Park
Gross MAP Fees Plus Other Impact Fees

		Gross MAP Fees /1	CSD-1 Fees	SRCSD Fees /2	SCWA Zone 50 Fees	School Fees	Total Fees /3	Burden as % of Developed Value
				Cost per Building Square Foot			***per SF***	
Zone 1	Distribution/Manufacturing	$10.18	$0.79	$1.40	$0.21	$0.42	$13.00	11.81%
Zone 2	Airport Related	$10.57	$0.83	$1.40	$0.22	$0.42	$13.44	12.22%
Zone 3	R&D/High Tech	$16.55	$0.85	$1.40	$0.23	$0.42	$19.45	12.96%
Zone 4	Office & Professional	$18.01	$0.58	$1.40	$0.16	$0.42	$20.56	9.57%
Zone 5	Retail/Hotel/Other	$18.61	$0.67	$1.40	$0.18	$0.42	$21.29	10.65%
Zone 6	Golf Course Clubhouse /4		Per-acre costs for golf course clubhouse shown below.				N/A	N/A
				Cost per Acre			***per Acre***	
Zone 1	Distribution/Manufacturing	$143,978	$11,118	$19,805	$2,997	$5,941	$183,839	11.81%
Zone 2	Airport Related	$141,574	$11,118	$18,755	$2,997	$5,627	$180,071	12.22%
Zone 3	R&D/High Tech	$216,221	$11,118	$18,294	$2,997	$5,488	$254,118	12.96%
Zone 4	Office & Professional	$347,312	$11,118	$26,994	$2,997	$8,098	$396,519	9.57%
Zone 5	Retail/Hotel/Other	$307,047	$11,118	$23,093	$2,997	$6,928	$351,183	10.65%
Zone 6	Golf Course Clubhouse /4	$169,327	$11,118	$5,040	$2,997	$1,512	$189,994	N/A

/1 Assumes no reduction for debt financing and funds total facility costs, including the 10% overall project contingency

/2 Per the Sacramento Regional County Sanitation District Ordinance No. SRSD-0093, fees assume an average of 0.2 ESD per 1,000 square feet of floor space.

/3 Does not include affordable housing fees

/4 Fees and special taxes for Zoning District 6 apply only to the five acres associated with the golf course clubhouse, driving range, and ancillary structures.

Source: Natomas Unified School District; County Sanitation District 1; Sacramento County Regional Sanitation District; Sacramento County Water Agency; Goodwin Consulting Group, Inc.

12/11/2007

APPENDIX C

FINANCIAL ANALYSIS

Table C-1
Metro Air Park Cash Flow
Infrastructure Cash Flow

	Total	0 2004	1 2005	2 2006	3 2007	4 2008	5 2009	6 2010	7 2011
Roadway Facilities									
Net Fee Revenues	$66,042,579	$0	$0	$0	$0	$3,848,405	$3,848,405	$3,848,405	$3,848,405
Admin Expenses	($3,144,885)	$-0	$-0	$-0	$-0	($183,257)	($183,257)	($183,257)	($183,257)
CFD Bond Proceeds /1	$22,353,309	$10,790,107	$0	$0	$11,514,516	$0	$48,686	$0	$0
Facility Cost /2	($77,500,912)	($10,790,107)	$-0	$-0	($11,514,516)	($48,686)	$-0	($1,881,276)	($3,724,925)
Net	$7,750,091	$0	$0	$0	$0	$3,616,461	$3,713,833	$1,783,871	($59,778)
Cumulative Surplus/Deficit		$0	$0	$0	$0	$3,616,461	$7,330,294	$9,114,166	$9,054,388
Freeway Facilities									
Net Fee Revenues	$72,513,819	$0	$0	$0	$0	$4,225,494	$4,225,494	$4,225,494	$4,225,494
Admin Expenses	($3,453,039)	$-0	$-0	$-0	$-0	($201,214)	($201,214)	($201,214)	($201,214)
CFD Bond Proceeds /1	$5,588,351	$2,019,639	$0	$0	$1,623,600	$0	$1,945,112	$0	$0
Facility Cost /2	($67,862,846)	($2,019,639)	$-0	$-0	($1,623,600)	($1,945,112)	($719,200)	($19,268,825)	$-0
Net	$6,786,285	$0	$0	$0	$0	$2,079,168	$5,250,192	($15,244,545)	$4,024,280
Cumulative Surplus/Deficit		$0	$0	$0	$0	$2,079,168	$7,329,360	($7,915,185)	($3,890,906)
Drainage Facilities									
Net Fee Revenues	$13,461,379	$0	$0	$0	$0	$808,882	$808,882	$808,882	$808,882
Admin Expenses	($641,018)	$-0	$-0	$-0	$-0	($38,518)	($38,518)	($38,518)	($38,518)
CFD Bond Proceeds /1	$44,177,535	$35,696,730	$0	$0	$7,434,602	$0	$1,046,203	$0	$0
Facility Cost /2	($51,816,269)	($35,696,730)	$-0	$-0	($7,434,602)	($1,046,203)	$-0	$-0	($1,126,896)
Net	$5,181,627	$0	$0	$0	$0	($275,840)	$1,816,567	$770,364	($356,532)
Cumulative Surplus/Deficit		$0	$0	$0	$0	($275,840)	$1,540,727	$2,311,091	$1,954,558
Non-CSD-1 Sewer Facilities									
Net Fee Revenues	$4,370,474	$0	$0	$0	$0	$254,409	$254,409	$254,409	$254,409
Admin Expenses	($208,118)	$-0	$-0	$-0	$-0	($12,115)	($12,115)	($12,115)	($12,115)
CFD Bond Proceeds /1	$3,217,512	$2,893,821	$0	$0	$323,691	$0	$0	$0	$0
Facility Cost /2	($6,708,971)	($2,893,821)	$-0	$-0	($323,691)	$0	$-0	$-0	$-0
Net	$670,897	$0	$0	$0	$0	$242,294	$242,294	$242,294	$242,294
Cumulative Surplus/Deficit		$0	$0	$0	$0	$242,294	$484,588	$726,882	$969,177
Water Facilities									
Net Fee Revenues	$10,930,302	$0	$0	$0	$0	$641,653	$641,653	$641,653	$641,653
Admin Expenses	($520,491)	$-0	$-0	$-0	$-0	($30,555)	($30,555)	($30,555)	($30,555)
CFD Bond Proceeds /1	$21,881,922	$4,223,893	$0	$0	$17,658,029	$0	$0	$0	$0
Facility Cost /2	($29,356,121)	($4,223,893)	$-0	$-0	($17,658,029)	($0)	$-0	$-0	$-0
Net	$2,935,612	$0	$0	$0	$0	$611,098	$611,098	$611,098	$611,098
Cumulative Surplus/Deficit		$0	$0	$0	$0	$611,098	$1,222,195	$1,833,293	$2,444,391
Miscellaneous Facilities									
Net Fee Revenues	$25,011,773	$0	$0	$0	$0	$1,505,791	$1,505,791	$1,505,791	$1,505,791
Admin Expenses	($1,191,037)	$-0	$-0	$-0	$-0	($71,704)	($71,704)	($71,704)	($71,704)
CFD Bond Proceeds /1	$10,947,358	$7,848,000	$0	$0	$3,099,358	$0	$0	$0	$0
Facility Cost /2	($31,607,358)	($7,848,000)	$-0	$-0	($3,099,358)	($1,400,000)	$-0	($8,400,000)	$-0
Net	$3,160,736	$0	$0	$0	$0	$34,087	$1,434,087	($6,965,913)	$1,434,087
Cumulative Surplus/Deficit		$0	$0	$0	$0	$34,087	$1,468,173	($5,497,740)	($4,063,654)
TOTAL									
Net Fee Revenues	$192,330,325	$0	$0	$0	$0	$11,284,632	$11,284,632	$11,284,632	$11,284,632
Admin Expenses	($9,158,587)	$-0	$-0	$-0	$-0	($537,363)	($537,363)	($537,363)	($537,363)
CFD Bond Proceeds /1	$108,165,987	$63,472,190	$0	$0	$41,653,796	$0	$3,040,001	$0	$0
Facility Cost /2	($264,852,477)	($63,472,190)	$-0	$-0	($41,653,796)	($4,440,001)	($719,200)	($29,550,101)	($4,851,821)
Net	$26,485,248	$0	$0	$0	$0	$6,307,268	$13,068,070	($18,802,832)	$5,895,448
Cumulative Net /3		$0	$0	$0	$0	$6,307,268	$19,375,338	$572,506	$6,467,954

/1 Includes $2.2 million in direct funding
from special tax revenues in 2007
/2 Excludes 10% overall project contingency
/3 Surplus at buildout equals 10% overall project contingency
and will be used to cover potential cost overruns.

Source: Goodwin Consulting Group, Inc.

12/11/2007

Table C-1
Metro Air Park Cash Flow
Infrastructure Cash Flow

	Total	8 2012	9 2013	10 2014	11 2015	12 2016	13 2017	14 2018	15 2019
Roadway Facilities									
Net Fee Revenues	$66,042,579	$3,848,405	$3,880,099	$3,880,099	$3,880,099	$3,880,099	$3,880,099	$3,419,919	$2,796,723
Admin Expenses	($3,144,885)	($183,257)	($184,767)	($184,767)	($184,767)	($184,767)	($184,767)	($162,853)	($133,177)
CFD Bond Proceeds /1	$22,353,309	$0	$0	$0	$0	$0	$0	$0	$0
Facility Cost /2	($77,500,912)	$-0	($5,723,330)	($4,842,977)	($1,808,222)	$-0	($7,483,764)	($16,488,999)	$-0
Net	$7,750,091	$3,665,147	($2,027,998)	($1,147,645)	$1,887,110	$3,695,332	($3,788,432)	($13,231,933)	$2,663,546
Cumulative Surplus/Deficit		$12,719,535	$10,691,537	$9,543,892	$11,431,002	$15,126,334	$11,337,902	($1,894,031)	$769,514
Freeway Facilities									
Net Fee Revenues	$72,513,819	$4,225,494	$4,260,293	$4,260,293	$4,260,293	$4,260,293	$4,260,293	$3,755,023	$3,070,762
Admin Expenses	($3,453,039)	($201,214)	($202,871)	($202,871)	($202,871)	($202,871)	($202,871)	($178,811)	($146,227)
CFD Bond Proceeds /1	$5,588,351	$0	$0	$0	$0	$0	$0	$0	$0
Facility Cost /2	($67,862,846)	$-0	($15,150,491)	($2,027,352)	$-0	$-0	($417,081)	$-0	($7,246,852)
Net	$6,786,285	$4,024,280	($11,093,069)	$2,030,070	$4,057,422	$4,057,422	$3,640,341	$3,576,212	($4,322,317)
Cumulative Surplus/Deficit		$133,374	($10,959,694)	($8,929,624)	($4,872,202)	($814,779)	$2,825,562	$6,401,774	$2,079,457
Drainage Facilities									
Net Fee Revenues	$13,461,379	$808,882	$818,769	$818,769	$818,769	$818,769	$818,769	$760,161	$522,985
Admin Expenses	($641,018)	($38,518)	($38,989)	($38,989)	($38,989)	($38,989)	($38,989)	($36,198)	($24,904)
CFD Bond Proceeds /1	$44,177,535	$0	$0	$0	$0	$0	$0	$0	$0
Facility Cost /2	($51,816,269)	($2,882,110)	$-0	($1,084,437)	($250,784)	$-0	($2,294,507)	$-0	$-0
Net	$5,181,627	($2,111,746)	$779,780	($304,657)	$528,996	$779,780	($1,514,727)	$723,963	$498,081
Cumulative Surplus/Deficit		($157,188)	$622,591	$317,934	$846,929	$1,626,709	$111,982	$835,945	$1,334,026
Non-CSD-1 Sewer Facilities									
Net Fee Revenues	$4,370,474	$254,409	$260,980	$260,980	$260,980	$260,980	$260,980	$229,958	$181,432
Admin Expenses	($208,118)	($12,115)	($12,428)	($12,428)	($12,428)	($12,428)	($12,428)	($10,950)	($8,640)
CFD Bond Proceeds /1	$3,217,512	$0	$0	$0	$0	$0	$0	$0	$0
Facility Cost /2	($6,708,971)	$-0	$-0	($292,358)	($704,028)	$-0	($2,495,073)	$-0	$-0
Net	$670,897	$242,294	$248,553	($43,805)	($455,475)	$248,553	($2,246,520)	$219,008	$172,792
Cumulative Surplus/Deficit		$1,211,471	$1,460,024	$1,416,218	$960,743	$1,209,296	($1,037,224)	($818,217)	($645,425)
Water Facilities									
Net Fee Revenues	$10,930,302	$641,653	$646,702	$646,702	$646,702	$646,702	$646,702	$580,332	$453,995
Admin Expenses	($520,491)	($30,555)	($30,795)	($30,795)	($30,795)	($30,795)	($30,795)	($27,635)	($21,619)
CFD Bond Proceeds /1	$21,881,922	$0	$0	$0	$0	$0	$0	$0	$0
Facility Cost /2	($29,356,121)	$-0	($177,612)	($2,759,698)	($400,992)	($2,942,446)	($1,193,451)	$-0	$-0
Net	$2,935,612	$611,098	$438,295	($2,143,791)	$214,915	($2,326,539)	($577,544)	$552,697	$432,377
Cumulative Surplus/Deficit		$3,055,488	$3,493,783	$1,349,992	$1,564,907	($761,632)	($1,339,176)	($786,479)	($354,103)
Miscellaneous Facilities									
Net Fee Revenues	$25,011,773	$1,505,791	$1,523,569	$1,523,569	$1,523,569	$1,523,569	$1,523,569	$1,418,679	$967,120
Admin Expenses	($1,191,037)	($71,704)	($72,551)	($72,551)	($72,551)	($72,551)	($72,551)	($67,556)	($46,053)
CFD Bond Proceeds /1	$10,947,358	$0	$0	$0	$0	$0	$0	$0	$0
Facility Cost /2	($31,607,358)	$-0	$-0	$-0	$-0	$-0	$-0	$-0	$-0
Net	$3,160,736	$1,434,087	$1,451,018	$1,451,018	$1,451,018	$1,451,018	$1,451,018	$1,351,123	$921,066
Cumulative Surplus/Deficit		($2,629,567)	($1,178,550)	$272,468	$1,723,486	$3,174,504	$4,625,522	$5,976,645	$6,897,711
TOTAL									
Net Fee Revenues	$192,330,325	$11,284,632	$11,390,412	$11,390,412	$11,390,412	$11,390,412	$11,390,412	$10,164,072	$7,993,016
Admin Expenses	($9,158,587)	($537,363)	($542,401)	($542,401)	($542,401)	($542,401)	($542,401)	($484,003)	($380,620)
CFD Bond Proceeds /1	$108,165,987	$0	$0	$0	$0	$0	$0	$0	$0
Facility Cost /2	($264,852,477)	($2,882,110)	($21,051,433)	($11,006,822)	($3,164,026)	($2,942,446)	($13,883,876)	($16,488,999)	($7,246,852)
Net	$26,485,248	$7,865,159	($10,203,422)	($158,811)	$7,683,985	$7,905,565	($3,035,865)	($6,808,930)	$365,545
Cumulative Net /3		$14,333,113	$4,129,691	$3,970,881	$11,654,866	$19,560,432	$16,524,567	$9,715,637	$10,081,181

/1 Includes $2.2 million in direct funding
from special tax revenues in 2007
/2 Excludes 10% overall project contingency
/3 Surplus at buildout equals 10% overall project contingency
and will be used to cover potential cost overruns.

Source: Goodwin Consulting Group, Inc.

Table C-1
Metro Air Park Cash Flow
Infrastructure Cash Flow

	Total	16 2020	17 2021	18 2022	19 2023	20 2024	21 2025	22 2026	23 2027
Roadway Facilities									
Net Fee Revenues	$66,042,579	$2,796,723	$2,796,723	$2,796,723	$2,796,723	$2,796,723	$2,796,723	$2,715,102	$1,687,983
Admin Expenses	($3,144,885)	($133,177)	($133,177)	($133,177)	($133,177)	($133,177)	($133,177)	($129,291)	($80,380)
CFD Bond Proceeds /1	$22,353,309	$0	$0	$0	$0	$0	$0	$0	$0
Facility Cost /2	($77,500,912)	$-0	($3,574,101)	($1,123,286)	$-0	($7,916)	$-0	($7,321,287)	($1,167,520)
Net	$7,750,091	$2,663,546	($910,555)	$1,540,260	$2,663,546	$2,655,630	$2,663,546	($4,735,476)	$440,083
Cumulative Surplus/Deficit		$3,433,060	$2,522,504	$4,062,764	$6,726,309	$9,381,939	$12,045,484	$7,310,008	$7,750,091
Freeway Facilities									
Net Fee Revenues	$72,513,819	$3,070,762	$3,070,762	$3,070,762	$3,070,762	$3,070,762	$3,070,762	$2,981,143	$1,853,381
Admin Expenses	($3,453,039)	($146,227)	($146,227)	($146,227)	($146,227)	($146,227)	($146,227)	($141,959)	($88,256)
CFD Bond Proceeds /1	$5,588,351	$0	$0	$0	$0	$0	$0	$0	$0
Facility Cost /2	($67,862,846)	$-0	$-0	($3,982,895)	($9,048,191)	$-0	($4,413,608)	$-0	$-0
Net	$6,786,285	$2,924,535	$2,924,535	($1,058,360)	($6,123,656)	$2,924,535	($1,489,073)	$2,839,184	$1,765,125
Cumulative Surplus/Deficit		$5,003,993	$7,928,528	$6,870,168	$746,513	$3,671,048	$2,181,975	$5,021,160	$6,786,285
Drainage Facilities									
Net Fee Revenues	$13,461,379	$522,985	$522,985	$522,985	$522,985	$522,985	$522,985	$513,098	$388,973
Admin Expenses	($641,018)	($24,904)	($24,904)	($24,904)	($24,904)	($24,904)	($24,904)	($24,433)	($18,523)
CFD Bond Proceeds /1	$44,177,535	$0	$0	$0	$0	$0	$0	$0	$0
Facility Cost /2	($51,816,269)	$-0	$-0	$-0	$-0	$-0	$-0	$-0	$-0
Net	$5,181,627	$498,081	$498,081	$498,081	$498,081	$498,081	$498,081	$488,665	$370,451
Cumulative Surplus/Deficit		$1,832,107	$2,330,188	$2,828,269	$3,326,349	$3,824,430	$4,322,511	$4,811,176	$5,181,627
Non-CSD-1 Sewer Facilities									
Net Fee Revenues	$4,370,474	$181,432	$181,432	$181,432	$181,432	$181,432	$181,432	$176,727	$116,821
Admin Expenses	($208,118)	($8,640)	($8,640)	($8,640)	($8,640)	($8,640)	($8,640)	($8,416)	($5,563)
CFD Bond Proceeds /1	$3,217,512	$0	$0	$0	$0	$0	$0	$0	$0
Facility Cost /2	($6,708,971)	$-0	$-0	$-0	$-0	$-0	$-0	$-0	$-0
Net	$670,897	$172,792	$172,792	$172,792	$172,792	$172,792	$172,792	$168,311	$111,258
Cumulative Surplus/Deficit		($472,633)	($299,841)	($127,049)	$45,743	$218,535	$391,327	$559,639	$670,897
Water Facilities									
Net Fee Revenues	$10,930,302	$453,995	$453,995	$453,995	$453,995	$453,995	$453,995	$442,179	$288,049
Admin Expenses	($520,491)	($21,619)	($21,619)	($21,619)	($21,619)	($21,619)	($21,619)	($21,056)	($13,717)
CFD Bond Proceeds /1	$21,881,922	$0	$0	$0	$0	$0	$0	$0	$0
Facility Cost /2	($29,356,121)	$-0	$-0	$-0	$-0	$-0	$-0	$-0	$-0
Net	$2,935,612	$432,377	$432,377	$432,377	$432,377	$432,377	$432,377	$421,123	$274,332
Cumulative Surplus/Deficit		$78,274	$510,651	$943,027	$1,375,404	$1,807,780	$2,240,157	$2,661,280	$2,935,612
Miscellaneous Facilities									
Net Fee Revenues	$25,011,773	$967,120	$967,120	$967,120	$967,120	$967,120	$967,120	$949,342	$727,117
Admin Expenses	($1,191,037)	($46,053)	($46,053)	($46,053)	($46,053)	($46,053)	($46,053)	($45,207)	($34,625)
CFD Bond Proceeds /1	$10,947,358	$0	$0	$0	$0	$0	$0	$0	$0
Facility Cost /2	($31,607,358)	$-0	$-0	$-0	$-0	$-0	$-0	$-0	($10,860,000)
Net	$3,160,736	$921,066	$921,066	$921,066	$921,066	$921,066	$921,066	$904,135	($10,167,507)
Cumulative Surplus/Deficit		$7,818,777	$8,739,843	$9,660,910	$10,581,976	$11,503,042	$12,424,108	$13,328,243	$3,160,736
TOTAL									
Net Fee Revenues	$192,330,325	$7,993,016	$7,993,016	$7,993,016	$7,993,016	$7,993,016	$7,993,016	$7,777,591	$5,062,325
Admin Expenses	($9,158,587)	($380,620)	($380,620)	($380,620)	($380,620)	($380,620)	($380,620)	($370,361)	($241,063)
CFD Bond Proceeds /1	$108,165,987	$0	$0	$0	$0	$0	$0	$0	$0
Facility Cost /2	($264,852,477)	$-0	($3,574,101)	($5,106,181)	($9,048,191)	($7,916)	($4,413,608)	($7,321,287)	($12,027,520)
Net	$26,485,248	$7,612,397	$4,038,296	$2,506,216	($1,435,794)	$7,604,481	$3,198,789	$85,942	($7,206,258)
Cumulative Net /3		$17,693,578	$21,731,873	$24,238,089	$22,802,294	$30,406,775	$33,605,563	$33,691,505	$26,485,248

/1 Includes $2.2 million in direct funding
from special tax revenues in 2007
/2 Excludes 10% overall project contingency
/3 Surplus at buildout equals 10% overall project contingency
and will be used to cover potential cost overruns.

Table C-2
Metro Air Park Cash Flow Summary
Mello-Roos Debt Financing Analysis
Assumptions
(Assumes All Bonds are Privately Placed)

Bonds

Bond Term for 1st Bond Issue	30
Bond Term for 2nd Bond Issue	28
Bond Term for 3rd Bond Issue	26
Bond Interest Rate	7.0%
Issuance Costs as a % of Bond Issue for 1st Bond Issue	0.5%
Issuance Costs as a % of Bond Issue for 2nd Bond Issue	0.8%
Issuance Costs as a % of Bond Issue for 3rd Bond Issue	6.5%
Reserve Fund as a % of Bond Issue for First Three Bond Issues	0.0%

Special Tax

Annual % Increase in Special Tax	2.0%
Maximum Tax Per Special Tax Ratio Per Acre (FY 2006-07)	$4,859.39
Minimum Gross Debt Service Coverage	110.01%

Capitalized Interest

Number of Years of Cap i in First Three Bond Issues	0
Cap i as a Percentage of First Three Bond Issues	0.000%

Other

Short-Term Investment Rate	3.0%
Capital Facilities Construction Inflation Rate	3.0%
CFD Annual Administrative Expenses (FY 2004-05)	$250,000

Land Use Assumptions

Non-Residential		**Square Feet**	**Net Acres**	**FAR**	**Special Tax Ratio**	**Value (per SF)**	**Total Value**	**FY 2006-07 Special Tax Per Acre**	**Taxes as % of Value**
Zone 1	Distribution/Manufacturing	6,744,864	476.8	0.32	1.00	$110.00	$741,934,988	$4,859.39	0.31%
Zone 2	Airport Related	3,676,000	274.4	0.31	1.00	$110.00	$404,360,000	$4,859.39	0.33%
Zone 3	R&D/High Tech	2,109,000	161.4	0.30	1.56	$150.00	$316,350,000	$7,558.80	0.39%
Zone 4	Office & Professional	2,055,401	106.6	0.44	1.75	$215.00	$441,911,257	$8,503.65	0.21%
Zone 5	Retail/Hotel/Other	4,920,505	298.3	0.38	1.92	$200.00	$984,101,090	$9,313.36	0.28%
Zone 6	Golf Course Clubhouse	N/A	5.0	N/A	1.00	N/A	$0	$4,859.39	0.00%
Total Non-Residential		19,505,770	1,322.5				$2,888,657,336		

Estimated Net Taxable Acreage in CFD	**1,322.5**
Contingency for Maximum Undeveloped Tax	0.0%
Net Acreage in CFD Adjusted for Contingency	**1,322.5**

Source: Goodwin Consulting Group, Inc.

12/11/2007

Table C-3
Metro Air Park Cash Flow Summary
Mello-Roos Debt Financing Analysis
Calculations

	Total	0 2004	1 2005	2 2006	3 2007	4 2008	5 2009	6 2010	7 2011
CFD Funded Costs									
Current Dollars (2006$)	$106,012,190	$63,472,190	$0	$0	$39,499,999	$0	$3,040,001	$0	$0
Escalated	$106,294,080	$63,472,190	$0	$0	$39,499,999	$0	$3,321,891	$0	$0
Bonds Issued	$106,840,000	$63,460,000	$0	$0	$39,830,000	$0	$3,550,000	$0	$0
Reserve Fund	$0	$0	$0	$0	$0	$0	$0	$0	$0
Bond Debt Service		$0	$5,836,557	$5,167,200	$6,100,817	$7,954,950	$8,081,100	$8,203,050	$8,206,550
CFD Administration		$0	$250,000	$255,000	$260,100	$265,302	$270,608	$276,020	$281,541
Capitalized Interest		$-0	$-0	$-0	$-0	$-0	$-0	$-0	$-0
Interest on Capitalized Interest		$-0	$-0	$-0	$-0	$-0	$-0	$-0	$-0
Interest on Reserve Fund		$0	$0	$0	$0	$0	$0	$0	$0
Net Annual Debt Service		$0	$6,086,557	$5,422,200	$6,360,917	$8,220,252	$8,351,708	$8,479,070	$8,488,091
Maximum Special Taxes Required		$0	$6,695,213	$5,964,420	$6,997,009	$8,750,445	$8,889,210	$9,023,355	$9,027,205
(includes 110% gross coverage)									
Actual Special Taxes Paid									
Developed Property	$205,350,933	$0	$0	$0	$0	$0	$0	$576,949	$1,176,976
Undeveloped Property	$87,996,152	$0	$6,086,557	$5,422,200	$6,360,917	$8,220,252	$8,351,708	$7,902,121	$7,311,115
Total	$293,347,085	$0	$6,086,557	$5,422,200	$6,360,917	$8,220,252	$8,351,708	$8,479,070	$8,488,091
Net Present Value of Undeveloped Tax	$43,052,761								
Discount Rate for NPV Analysis	10.00%								
Annual Special Tax Rates									
Developed Property ($/acre)									
Zone 1 Distribution/Manufacturing		$0	$0	$0	$0	$0	$0	$5,157	$5,260
Zone 2 Airport Related		$0	$0	$0	$0	$0	$0	$5,157	$5,260
Zone 3 R&D/High Tech		$0	$0	$0	$0	$0	$0	$8,021	$8,182
Zone 4 Office & Professional		$0	$0	$0	$0	$0	$0	$9,024	$9,205
Zone 5 Retail/Hotel/Other		$0	$0	$0	$0	$0	$0	$9,883	$10,081
Zone 6 Golf Course Clubhouse		$0	$0	$0	$0	$0	$0	$0	$0
Undeveloped Property ($/acre)									
Zone 1 Distribution/Manufacturing		$0	$3,447	$3,071	$3,603	$4,656	$4,730	$4,779	$4,742
Zone 2 Airport Related		$0	$3,447	$3,071	$3,603	$4,656	$4,730	$4,779	$4,742
Zone 3 R&D/High Tech		$0	$5,363	$4,777	$5,604	$7,242	$7,358	$7,433	$7,376
Zone 4 Office & Professional		$0	$6,033	$5,374	$6,305	$8,148	$8,278	$8,362	$8,298
Zone 5 Retail/Hotel/Other		$0	$6,607	$5,886	$6,905	$8,924	$9,066	$9,159	$9,089
Zone 6 Golf Course Clubhouse		$0	$3,447	$3,071	$3,603	$4,656	$4,730	$4,779	$4,742
Value-to-Lien									
Total Property Value (current $) /1		$37,000,000	$37,000,000	$37,000,000	$37,000,000	$37,000,000	$217,526,479	$398,052,957	$578,579,436
Cumulative Bonds Issued		$63,460,000	$63,460,000	$63,460,000	$99,910,092	$99,910,092	$102,972,353	$102,972,353	$102,972,353
Actual Value-to-Lien		0.58	0.58	0.58	0.37	0.37	2.11	3.87	5.62

/1 Does not include the value of improvements being funded from bond issue in each year.

Table C-3
Metro Air Park Cash Flow Summary
Mello-Roos Debt Financing Analysis
Calculations

	Total	8 2012	9 2013	10 2014	11 2015	12 2016	13 2017	14 2018	15 2019
CFD Funded Costs									
Current Dollars (2006$)	$106,012,190	$0	$0	$0	$0	$0	$0	$0	$0
Escalated	$106,294,080	$0	$0	$0	$0	$0	$0	$0	$0
Bonds Issued	$106,840,000	$0	$0	$0	$0	$0	$0	$0	$0
Reserve Fund	$0	$0	$0	$0	$0	$0	$0	$0	$0
Bond Debt Service		$8,205,150	$8,203,850	$8,207,300	$8,204,800	$8,216,350	$8,380,550	$8,551,200	$8,721,550
CFD Administration		$287,171	$292,915	$298,773	$304,749	$310,844	$317,060	$323,402	$329,870
Capitalized Interest		$-0	$-0	$-0	$-0	$-0	$-0	$-0	$-0
Interest on Capitalized Interest		$-0	$-0	$-0	$-0	$-0	$-0	$-0	$-0
Interest on Reserve Fund		$0	$0	$0	$0	$0	$0	$0	$0
Net Annual Debt Service		$8,492,321	$8,496,765	$8,506,073	$8,509,549	$8,527,194	$8,697,610	$8,874,602	$9,051,420
Maximum Special Taxes Required		$9,025,665	$9,024,235	$9,028,030	$9,025,280	$9,037,985	$9,218,605	$9,406,320	$9,593,705
(includes 110% gross coverage)									
Actual Special Taxes Paid									
Developed Property	$205,350,933	$1,800,773	$2,449,051	$3,122,540	$3,827,683	$4,559,782	$5,319,634	$6,108,056	$6,925,887
Undeveloped Property	$87,996,152	$6,691,548	$6,047,714	$5,383,533	$4,681,866	$3,967,412	$3,377,976	$2,766,546	$2,125,533
Total	$293,347,085	$8,492,321	$8,496,765	$8,506,073	$8,509,549	$8,527,194	$8,697,610	$8,874,602	$9,051,420
Net Present Value of Undeveloped Tax	$43,052,761								
Discount Rate for NPV Analysis	10.00%								
Annual Special Tax Rates									
Developed Property ($/acre)									
Zone 1 Distribution/Manufacturing		$5,365	$5,472	$5,582	$5,694	$5,807	$5,924	$6,042	$6,163
Zone 2 Airport Related		$5,365	$5,472	$5,582	$5,694	$5,807	$5,924	$6,042	$6,163
Zone 3 R&D/High Tech		$8,346	$8,512	$8,683	$8,856	$9,033	$9,214	$9,398	$9,586
Zone 4 Office & Professional		$9,389	$9,576	$9,768	$9,963	$10,163	$10,366	$10,573	$10,785
Zone 5 Retail/Hotel/Other		$10,283	$10,488	$10,698	$10,912	$11,130	$11,353	$11,580	$11,812
Zone 6 Golf Course Clubhouse		$0	$0	$0	$5,694	$5,807	$5,924	$6,042	$6,163
Undeveloped Property ($/acre)									
Zone 1 Distribution/Manufacturing		$4,680	$4,589	$4,464	$4,283	$4,047	$3,894	$3,666	$3,312
Zone 2 Airport Related		$4,680	$4,589	$4,464	$4,283	$4,047	$3,894	$3,666	$3,312
Zone 3 R&D/High Tech		$7,279	$7,138	$6,943	$6,662	$6,295	$6,057	$5,703	$5,152
Zone 4 Office & Professional		$8,189	$8,030	$7,811	$7,494	$7,082	$6,814	$6,416	$5,796
Zone 5 Retail/Hotel/Other		$8,969	$8,794	$8,555	$8,208	$7,756	$7,463	$7,027	$6,348
Zone 6 Golf Course Clubhouse		$4,680	$4,589	$4,464	$4,283	$4,047	$3,894	$3,666	$3,312
Value-to-Lien									
Total Property Value (current $) /1		$759,105,915	$939,632,394	$1,120,130,895	$1,300,629,397	$1,481,127,898	$1,661,626,399	$1,842,124,901	$2,005,710,506
Cumulative Bonds Issued		$102,972,353	$102,972,353	$102,972,353	$102,972,353	$102,972,353	$102,972,353	$102,972,353	$102,972,353
Actual Value-to-Lien		7.37	9.13	10.88	12.63	14.38	16.14	17.89	19.48

/1 Does not include the value of improvements being funded from bond issue in each year.

Table C-3
Metro Air Park Cash Flow Summary
Mello-Roos Debt Financing Analysis
Calculations

	Total	16 2020	17 2021	18 2022	19 2023	20 2024	21 2025	22 2026	23 2027
CFD Funded Costs									
Current Dollars (2006$)	$106,012,190	$0	$0	$0	$0	$0	$0	$0	$0
Escalated	$106,294,080	$0	$0	$0	$0	$0	$0	$0	$0
Bonds Issued	$106,840,000	$0	$0	$0	$0	$0	$0	$0	$0
Reserve Fund	$0	$0	$0	$0	$0	$0	$0	$0	$0
Bond Debt Service		$8,905,200	$9,079,700	$9,259,000	$9,456,000	$9,652,550	$9,851,550	$10,035,550	$10,228,150
CFD Administration		$336,467	$343,196	$350,060	$357,062	$364,203	$371,487	$378,917	$386,495
Capitalized Interest		$-0	$-0	$-0	$-0	$-0	$-0	$-0	$-0
Interest on Capitalized Interest		$-0	$-0	$-0	$-0	$-0	$-0	$-0	$-0
Interest on Reserve Fund		$0	$0	$0	$0	$0	$0	$0	$0
Net Annual Debt Service		$9,241,667	$9,422,896	$9,609,060	$9,813,062	$10,016,753	$10,223,037	$10,414,467	$10,614,645
Maximum Special Taxes Required		$9,795,720	$9,987,670	$10,184,900	$10,401,600	$10,617,805	$10,836,705	$11,039,105	$11,250,965
(includes 110% gross coverage)									
Actual Special Taxes Paid									
Developed Property	$205,350,933	$7,705,787	$8,351,252	$9,019,452	$9,711,040	$10,016,753	$10,223,037	$10,414,467	$10,614,645
Undeveloped Property	$87,996,152	$1,535,880	$1,071,644	$589,608	$102,022	$0	$0	$0	$0
Total	$293,347,085	$9,241,667	$9,422,896	$9,609,060	$9,813,062	$10,016,753	$10,223,037	$10,414,467	$10,614,645
Net Present Value of Undeveloped Tax	$43,052,761								
Discount Rate for NPV Analysis	10.00%								
Annual Special Tax Rates									
Developed Property ($/acre)									
Zone 1 Distribution/Manufacturing		$6,286	$6,412	$6,540	$6,671	$6,537	$6,354	$6,206	$6,147
Zone 2 Airport Related		$6,286	$6,412	$6,540	$6,671	$6,537	$6,354	$6,206	$6,147
Zone 3 R&D/High Tech		$9,778	$9,974	$10,173	$10,377	$10,168	$9,883	$9,653	$9,562
Zone 4 Office & Professional		$11,000	$11,220	$11,445	$11,674	$11,439	$11,119	$10,860	$10,757
Zone 5 Retail/Hotel/Other		$12,048	$12,289	$12,535	$12,785	$12,528	$12,177	$11,894	$11,781
Zone 6 Golf Course Clubhouse		$6,286	$6,412	$6,540	$6,671	$6,537	$6,354	$6,206	$6,147
Undeveloped Property ($/acre)									
Zone 1 Distribution/Manufacturing		$2,846	$2,314	$1,526	$329	$0	$0	$0	$0
Zone 2 Airport Related		$2,846	$2,314	$1,526	$329	$0	$0	$0	$0
Zone 3 R&D/High Tech		$4,427	$3,600	$2,373	$512	$0	$0	$0	$0
Zone 4 Office & Professional		$4,980	$4,050	$2,670	$576	$0	$0	$0	$0
Zone 5 Retail/Hotel/Other		$5,454	$4,436	$2,924	$631	$0	$0	$0	$0
Zone 6 Golf Course Clubhouse		$2,846	$2,314	$1,526	$329	$0	$0	$0	$0
Value-to-Lien									
Total Property Value (current $) /1		$2,132,576,910	$2,259,443,314	$2,386,309,718	$2,513,176,122	$2,640,042,526	$2,754,151,818	$2,833,260,832	$2,874,166,887
Cumulative Bonds Issued		$102,972,353	$102,972,353	$102,972,353	$102,972,353	$102,972,353	$102,972,353	$102,972,353	$102,972,353
Actual Value-to-Lien		20.71	21.94	23.17	24.41	25.64	26.75	27.51	27.91

/1 Does not include the value of improvements being funded from bond issue in each year.

Table C-3
Metro Air Park Cash Flow Summary
Mello-Roos Debt Financing Analysis
Calculations

	Total	24 2028	25 2029	26 2030	27 2031	28 2032	29 2033	30 2034
CFD Funded Costs								
Current Dollars (2006$)	$106,012,190	$0	$0	$0	$0	$0	$0	$0
Escalated	$106,294,080	$0	$0	$0	$0	$0	$0	$0
Bonds Issued	$106,840,000	$0	$0	$0	$0	$0	$0	$0
Reserve Fund	$0	$0	$0	$0	$0	$0	$0	$0
Bond Debt Service		$10,436,200	$10,435,250	$10,428,650	$10,417,850	$10,411,350	$10,405,350	$10,395,050
CFD Administration		$394,225	$402,109	$410,151	$418,355	$426,722	$435,256	$443,961
Capitalized Interest		$-0	$-0	$-0	$-0	$-0	$-0	$-0
Interest on Capitalized Interest		$-0	$-0	$-0	$-0	$-0	$-0	$-0
Interest on Reserve Fund		$0	$0	$0	$0	$0	$0	$-0
Net Annual Debt Service		$10,830,425	$10,837,359	$10,838,801	$10,836,205	$10,838,072	$10,840,606	$10,839,011
Maximum Special Taxes Required		$11,479,820	$11,478,775	$11,471,515	$11,459,635	$11,452,485	$11,445,885	$11,434,555
(includes 110% gross coverage)								
Actual Special Taxes Paid								
Developed Property	$205,350,933	$10,830,425	$10,837,359	$10,838,801	$10,836,205	$10,838,072	$10,840,606	$10,839,011
Undeveloped Property	$87,996,152	$0	$0	$0	$0	$0	$0	$0
Total	$293,347,085	$10,830,425	$10,837,359	$10,838,801	$10,836,205	$10,838,072	$10,840,606	$10,839,011
Net Present Value of Undeveloped Tax	$43,052,761							
Discount Rate for NPV Analysis	10.00%							
Annual Special Tax Rates								
Developed Property ($/acre)								
Zone 1 Distribution/Manufacturing		$6,175	$6,138	$6,139	$6,138	$6,139	$6,140	$6,139
Zone 2 Airport Related		$6,175	$6,138	$6,139	$6,138	$6,139	$6,140	$6,139
Zone 3 R&D/High Tech		$9,606	$9,548	$9,550	$9,547	$9,549	$9,551	$9,550
Zone 4 Office & Professional		$10,806	$10,742	$10,743	$10,741	$10,742	$10,745	$10,743
Zone 5 Retail/Hotel/Other		$11,835	$11,765	$11,766	$11,763	$11,765	$11,768	$11,766
Zone 6 Golf Course Clubhouse		$6,175	$6,138	$6,139	$6,138	$6,139	$6,140	$6,139
Undeveloped Property ($/acre)								
Zone 1 Distribution/Manufacturing		$0	$0	$0	$0	$0	$0	$0
Zone 2 Airport Related		$0	$0	$0	$0	$0	$0	$0
Zone 3 R&D/High Tech		$0	$0	$0	$0	$0	$0	$0
Zone 4 Office & Professional		$0	$0	$0	$0	$0	$0	$0
Zone 5 Retail/Hotel/Other		$0	$0	$0	$0	$0	$0	$0
Zone 6 Golf Course Clubhouse		$0	$0	$0	$0	$0	$0	$0
Value-to-Lien								
Total Property Value (current $) /1		$2,888,657,336	$2,888,657,336	$2,888,657,336	$2,888,657,336	$2,888,657,336	$2,888,657,336	$2,888,657,336
Cumulative Bonds Issued		$102,972,353	$102,972,353	$102,972,353	$102,972,353	$102,972,353	$102,972,353	$102,972,353
Actual Value-to-Lien		28.05	28.05	28.05	28.05	28.05	28.05	28.05

/1 Does not include the value of improvements being funded from bond issue in each year.

Table C-4
Metro Air Park
Summary of Net Metro Air Park Fees

Facilities:		Roadway Facility Costs	Freeway Facility Costs	Drainage Facility Costs	Sewer (Non-CSD-1) Facility Costs	Water Facility Costs	Miscellaneous Facility Costs	Cost Allocation/ Net MAP Impact Fees /1	Facility Costs Funded
Benefit Units:		**PM Peak Hour Trips**	**PM Peak Hour Trips**	**Percent Impervious**	**Sewer EDU**	**Domestic Service Squared**	**per Acre**		
				Cost per Building Square Foot or per Hole				(per SF or per Hole)	
Zone 1	Distribution/Manufacturing	$1.80	$1.98	$0.66	$0.14	$0.35	$1.26	$6.19	$45,399,263
Zone 2	Airport Related	$1.83	$2.01	$0.70	$0.14	$0.37	$1.33	$6.38	$23,454,239
Zone 3	R&D/High Tech	$3.47	$3.81	$0.76	$0.29	$0.87	$1.36	$10.55	$22,254,633
Zone 4	Office & Professional	$5.17	$5.68	$0.51	$0.27	$0.54	$0.92	$13.10	$29,516,704
Zone 5	Retail/Hotel/Other	$4.95	$5.43	$0.60	$0.29	$0.72	$1.08	$13.06	$71,176,587
Zone 6	Golf Course Clubhouse /3	$8,803.90	$9,666.56	$2,746.37	$1,825.43	$1,402.68	$4,938.31	$29,383	$528,899
Total									**$192,330,000**
				Cost per Acre				(per acre)	
Zone 1	Distribution/Manufacturing	$25,454	$27,948	$9,338	$2,017	$4,974	$17,778	$87,508	$45,399,263
Zone 2	Airport Related	$24,535	$26,939	$9,338	$1,910	$4,974	$17,778	$85,475	$23,454,239
Zone 3	R&D/High Tech	$45,344	$49,787	$9,887	$3,727	$11,362	$17,778	$137,885	$22,254,633
Zone 4	Office & Professional	$99,745	$109,518	$9,777	$5,225	$10,453	$17,778	$252,495	$29,516,704
Zone 5	Retail/Hotel/Other	$81,621	$89,619	$9,887	$4,705	$11,816	$17,778	$215,426	$71,176,587
Zone 6	Golf Course Clubhouse /3	$31,694	$34,800	$9,887	$6,572	$5,050	$17,778	$105,780	$528,899
Total									**$192,330,000**

/1 Includes a 5% administrative charge.
/2 Fees and special taxes for Zoning District 6 apply only to the five acres associated with the golf course clubhouse, driving range, and ancillary structures.

Source: Goodwin Consulting Group, Inc. *12/11/2007*

Table C-5
Metro Air Park
Net Impact Fee and Special Tax Summary

Land Uses		Value	Net Fee with Debt Financing /1	Other Impact Fees	Total Net Impact Fees /2	Total Fees as % of Value	CFD Annual Facilities Special Taxes (FY 2006-07 $)	Special Taxes as % of Value
		per SF	***per Building Square Foot or per Hole***				***per SF***	
Zone 1	Distribution/Manufacturing	$110.00	$6.19	$2.82	$9.00	8.2%	$0.34	0.31%
Zone 2	Airport Related	$110.00	$6.38	$2.87	$9.25	8.4%	$0.36	0.33%
Zone 3	R&D/High Tech	$150.00	$10.55	$2.90	$13.45	9.0%	$0.58	0.39%
Zone 4	Office & Professional	$215.00	$13.10	$2.55	$15.65	7.3%	$0.44	0.21%
Zone 5	Retail/Hotel/Other	$200.00	$13.06	$2.68	$15.74	7.9%	$0.56	0.28%
Zone 6	Golf Course Clubhouse /3	N/A	$29,383	N/A	N/A	N/A	N/A	N/A
		per Acre	***per Acre***				***per Acre***	
Zone 1	Distribution/Manufacturing	$1,556,072	$87,508	$39,861	$127,369	8.2%	$4,859	0.31%
Zone 2	Airport Related	$1,473,615	$85,475	$38,497	$123,971	8.4%	$4,859	0.33%
Zone 3	R&D/High Tech	$1,960,037	$137,885	$37,897	$175,782	9.0%	$7,559	0.39%
Zone 4	Office & Professional	$4,145,509	$252,495	$49,207	$301,703	7.3%	$8,504	0.21%
Zone 5	Retail/Hotel/Other	$3,299,031	$215,426	$44,136	$259,562	7.9%	$9,313	0.28%
Zone 6	Golf Course Clubhouse /3	N/A	$105,780	$20,667	$126,447	N/A	$4,859	N/A

/1 Includes a 5% administrative charge.
/2 Does not include affordable housing fees.
/3 Fees and special taxes for Zoning District 6 apply only to the five acres associated with the golf course clubhouse, driving range, and ancillary structures.

Source: Goodwin Consulting Group *12/11/2007*

Table C-6
Metro Air Park
Public Facilities Financing Matrix

Facility	*Mello-Roos Long-Term Bonds /1*	*Metro Air Park Fees*	*CSD-1 Fees*	*SRCSD Fees*	*SCWA Fees*	*School Facilities Fees*	*Total Funding /2*
Roadway Facilities	$22,353,309	$66,042,579					$88,395,888
Freeway Facilities	$5,588,351	$72,513,819					$78,102,170
Drainage Facilities	$44,177,535	$13,461,379					$57,638,914
Sewer (Non-CSD-1) Facilities /3	$3,217,512	$4,370,474					$7,587,986
Water Facilities	$21,881,922	$10,930,302					$32,812,223
Miscellaneous	$10,947,358	$25,011,773					$35,959,131
Subtotal Facility Costs and Funding	$108,165,987	$192,330,325					$300,496,312
Less: Admin Costs (5%)							($9,158,587)
Less: Surplus at Buildout							($0)
Net Facility Costs Funded							**$291,337,725**
CSD-1 Fees			$15,641,914				$15,641,914
SRCSD Sewer Treatment Facilities				$29,184,400			$29,184,400
SCWA Zone 50 Fees					$4,216,479		$4,216,479
School Facilities						$8,755,320	$8,755,320
Total Facility Costs Funded							**$349,135,838**

/1 Includes $2.2 million in direct funding from special tax revenues for fiscal year 2006-07
/2 Includes a 10% overall project cost contingency
/3 CSD-1 sewer facilities will be constructed by the developers, who will then be directly reimbursed by CSD-1.

Source: Goodwin Consulting Group, Inc. *12/11/2007*

APPENDIX D

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

COUNTY OF SACRAMENTO
METRO AIR PARK COMMUNITY FACILITIES DISTRICT NO. 2000-1

AMENDED RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax applicable to each Assessor's Parcel in Community Facilities District No. 2000-1 (herein "CFD No. 2000-1") shall be levied and collected according to the tax liability determined by the Board of Supervisors (herein the "Board") of the County of Sacramento, acting in its capacity as the legislative body of CFD No. 2000-1, through the application of the appropriate Special Tax rate, as described below. All of the property in CFD No. 2000-1, unless exempted by law or by the provisions of Section I below, 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:

"Acreage" means the land area making up an Assessor's Parcel as shown on an Assessor's Parcel Map, or if the land area is not shown on an Assessor's Parcel Map, the land area shown on the applicable Final Map or other recorded County parcel map.

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

"Administrative Expenses" means any or all of the following: the fees and expenses of any fiscal agent or trustee (including any fees and expenses of its counsel) employed in connection with any Bonds of CFD No. 2000-1, and the expenses of the County in carrying out its duties for such Bonds, including, but not limited to, the levy and collection of the Special Tax, the fees and expenses of its counsel, charges levied by the County Finance Director, amounts needed to rebate the federal government with respect to arbitrage earnings on any of such Bonds, costs associated with complying with continuing disclosure requirements, and all other costs and expenses of the County in any way related to the establishment or administration of CFD No. 2000-1.

"Administrator" means the Administrator of the County Public Works Agency or his/her designee or such other person as the Board may designate to serve as the Administrator of the Special Tax.

"Amortized Principal" means any principal of Bonds that has been retired due to scheduled payment of the principal of such Bonds, which amount shall not include any principal retired due to mandatory bond tenders or voluntary prepayments of the Special Tax, and shall include any principal of Bonds which will, at the next principal payment date, be retired from the proceeds of Special Taxes that have already been levied by the County at the time a determination of Amortized

Principal is being made with the following exception: for purposes of calculating Amortized Principal in Step 5 of Section E below, the Bond principal that would have been paid by the Special Taxes that are delinquent for such Parcel shall not be included as Amortized Principal.

"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.

"Bonds" means any bonds or other debt (as defined in Section 53317(d) of the Act), whether in one or more series, issued by the County for CFD No. 2000-1 under the Act.

"Building Permits" means a single permit or set of permits required to construct an entire structure, which structure may include stand-alone surface parking, common areas, landscaping, or other areas. If a permit is issued for parking, landscaping or another related facility or amenity, but a building permit has not yet been issued for the structure that these facilities or amenities serve, such permits shall not be considered "Building Permits" for purposes of application of the Special Tax herein.

"Capitalized Interest" means Bond proceeds (other than monies in a reserve fund) that are designated to pay debt service on Bonds issued by CFD No. 2000-1.

"County" means the County of Sacramento.

"Developed Property" means all Parcels in CFD No. 2000-1 for which Building Permits have been issued on or prior to June 1 of the preceding Fiscal Year, including Property Owner Association Property and common areas serving developed Parcels. For golf course property, only the clubhouse, driving range, and related structures shall be considered Developed Property; if such uses are not a separate individual parcel but instead are included as part of a larger Golf Course parcel, only 5.0 acres of the applicable parcel on which such improvements are located shall be deemed to be Developed Property. Notwithstanding the above, Golf Course and Open Space (as defined below) will be considered exempt property pursuant to Section I below.

"Estimated Acreage" means the total gross acreage less the public acreage expected within each Unit, as identified in Attachments 1 and 2. The Estimated Acreage will most likely change once the actual public acreage is determined for each Unit.

"Facilities Special Tax" means the Special Tax levied in any Fiscal Year to pay the Facilities Special Tax Requirement.

"Facilities Special Tax Requirement" means that amount of revenue necessary in any Fiscal Year to pay debt service on the Bonds that is due in the calendar year that begins in such Fiscal Year, to create or replenish reserve funds for such Bonds, to cure any delinquencies in the payment of Facilities Special Taxes which have occurred and which have not been or will not be cured pursuant to the mandatory tender provisions set forth in Section C.2 below or (based on delinquency rates in prior years) may be expected to occur in the Fiscal Year in which the tax will be collected, to pay Administrative Expenses, and to pay construction and/or acquisition expenses to be funded directly from Special Tax proceeds. The Facilities Special Tax Requirement may be reduced in any Fiscal Year by taking into account revenues available from one or more of the following sources: (i) interest earnings on or surplus balances in the bond reserve fund or other CFD funds and accounts that are available to apply against debt service pursuant to the bond indenture, bond resolution, or other legal document that sets forth these terms, and (ii) any other revenues accrued to the CFD as determined by the County.

"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.

"Foreclosure Parcel" means a Parcel within CFD No. 2000-1 that meets all of the following requirements: (a) such Parcel is subject to the Special Tax, a portion of which is used to pay debt service on Subordinate Bonds; (b) payment of such Special Tax is delinquent; (c) as a result of such delinquency, the County has prosecuted a foreclosure action to judgment and sale; (d) at the initial foreclosure sale pursuant to such foreclosure judgment, no qualifying bid was received from any bidder; (e) as a result thereof, a mandatory bond tender of Subordinate Bonds pursuant to Section C.2 below has occurred; and (f) as a result of such mandatory bond tender, the Maximum Facilities Special Tax applicable to such Parcel has been recalculated pursuant to Section C.2 below.

"Golf Course and Open Space" means (a) property (excluding the clubhouse, driving range, and related structures) for which the County has issued, and there remains valid as of June 1 of the previous Fiscal Year, a conditional use permit for the operation of a golf course, and (b) property which is designated by the County as a public park or other open space pursuant to Zoning District 6 of County Ordinance No. SZC 93-0045. Golf Course and Open Space property shall be restricted to 273.3 net acres (which excludes 5.0 acres for the clubhouse, driving range, and related structures) as shown in Attachment 3. If the total Acreage of Parcels that would otherwise constitute Golf Course and Open Space property exceeds 273.3 net acres, such property shall be obligated to pay total Special Taxes equal to the product of the excess Acreage times the Per-Acre Special Tax, as set forth in Attachments 1 and 2, for the Unit in which the excess acreage is located by comparing to the map in Attachment 4; total Special Taxes will be allocated equally to each net acre in the Golf Course property. Notwithstanding the above, if the clubhouse, driving range, and related structures are built on a Parcel that includes Golf Course and Open Space property, the Maximum Special Tax that would have been levied if a separate Parcel had been created shall be allocated to all acres within the Assessor's Parcel on which these structures are located.

"Issued" means the principal amount of all Senior Bonds and Subordinate Bonds issued prior to the date of calculation including, (i) the principal amount of all Subordinate Bonds that have been retired by any mandatory bond tenders that have occurred because one or more other Parcels in the CFD became Foreclosure Parcels; and (ii) the principal amount of all Subordinate Bonds that have been or will be redeemed as a result of the previous voluntary prepayment of Special Taxes applicable to one or more other Parcels in the CFD, but excluding the principal amount of all Bonds refunded prior to the date of calculation.

"Large-Lot Subdivision Map" means a subdivision map recorded at the County Recorder's Office that subdivides the property in CFD No. 2000-1 into large parcels that may be subject to future subdivision. Attachment 4 of this Rate and Method of Apportionment identifies the Units in Metro Air Park that are anticipated after recordation of the first Large-Lot Subdivision Map. To the extent the boundaries of the individual lots reflected in the Large-Lot Subdivision Map are different than the boundaries of the Units shown in Attachment 4, the County, at its sole discretion, may reallocate the annual Maximum Special Tax for each Unit as reflected in Attachments 1 and 2.

"Maximum Facilities Special Tax" means the maximum Facilities Special Tax, determined in accordance with Section C, that can be levied by the Board in any Fiscal Year on a Parcel of Taxable Property within the CFD. The Maximum Facilities Special Tax assigned to a Parcel shall be recalculated pursuant to the steps set forth in Sections C.2 and C.3 below if the Parcel becomes a Foreclosure Parcel or the Parcel makes a voluntary partial prepayment pursuant to Section F below.

"Maximum Facilities Special Tax Revenues" means the maximum Facilities Special Tax revenues that could be generated within CFD No. 2000-1 when the CFD was formed, as shown in Attachment 1 of this Rate and Method of Apportionment of Special Tax, with such amount escalated each July 1 beginning July 1, 2001, to 102 percent of the amount in effect in the previous Fiscal Year.

"Maximum Services Special Tax" means the maximum Services Special Tax, determined in accordance with Section C.4, that can be levied by the Board in any Fiscal Year on Taxable Property within each Unit.

"Maximum Services Special Tax Revenues" means the maximum Services Special Tax revenues that can be generated within CFD No. 2000-1 by collection of the Maximum Services Special Tax anticipated within each Unit in the CFD, as identified in Attachment 2 and as escalated pursuant to Section C.4 below.

"Maximum Special Tax" means the Maximum Facilities Special Tax plus the Maximum Services Special Tax.

"Partial Prepayment Parcel" means an Assessor's Parcel as to which the owner voluntarily prepays the portion of the Maximum Facilities Special Tax assigned to the Parcel that supports Subordinate Bonds.

"Per-Acre Special Tax" means the Maximum Special Tax, determined in accordance with Section C, divided by the Estimated Acreage for each Unit as shown in Attachments 1 and 2. Because the Per-Acre Special Tax is based on the Estimated Acreage, it is also an estimate and is dependant on the actual Public Acreage that will eventually be included in the Units.

"Property Owner Association Property" means any property within the boundaries of CFD No. 2000-1 owned by a property owner association, including any master or sub-association.

"Proportionately" means, for Developed Property, that the ratio of the actual Facilities Special Tax levy to the Maximum Facilities Special Tax is equal for all Parcels of Developed Property. "Proportionately" means, for Undeveloped Property, that the ratio of the actual Facilities Special Tax levy to the Maximum Facilities Special Tax is equal for all Parcels of Undeveloped Property. For Golf Course and Open Space property, "Proportionately" means that the ratio of the actual Facilities Special Tax levy to the Maximum Facilities Special Tax is equal for all Parcels of Golf Course and Open Space property. For Property Owner Association Property, "Proportionately" means that the ratio of the actual Facilities Special Tax levy to the Maximum Facilities Special Tax is equal for all Parcels of Property Owner Association Property.

"Public Acreage" means acreage, excluding Unsited Public Acreage, designated for the freeway interchange, major and local roads, light rail, CalTrans setbacks, irrigation/drainage channels and any other public facility sites owned by a public agency, all public rights-of-way that are not developable, and all unmanned utility property or property encumbered with public or utility easements making impractical its utilization for other than the purpose set forth in the easement, subject to the limitations set forth in Section I below.

"Public Facilities" means any of the improvements authorized to be funded by CFD No. 2000-1 pursuant to the CFD formation documents.

"Remaining Annual Total Bond Debt Service" means the estimated combined annual debt service on both Issued and future Senior Bonds and Issued Subordinate Bonds, which amount shall include annual debt service associated with Senior Bonds or Subordinate Bonds that have been, or will at the next call date, be retired due to mandatory bond tenders that occurred pursuant to Section C.2 below or voluntary prepayment of Special Taxes, except that "Remaining Annual Total Bond Debt Service" shall not include debt service on future Senior Bonds that are expected to be issued and secured by Facilities Special Tax capacity that becomes available when other Senior Bonds have been fully amortized (until such Senior Bonds that were expected to be issued are actually issued and outstanding, at which point the debt service on such Senior Bonds shall be included as Remaining Annual Total Bond Debt Service). In calculating Remaining Annual Total Bond Debt Service, the Administrator shall, for Issued Subordinate Bonds and Issued Senior Bonds, use the combined debt service in the year of such calculation that (i) is due on outstanding Bonds and (ii) would have been due on any Bonds that have been cancelled or retired due to mandatory bond tenders or voluntary prepayments unless the debt service for the then current year represents an interest-only payment on any of the outstanding Bonds, in which case the Administrator will use the debt service in the first year in which principal will be retired. For Senior Bonds anticipated to be issued in the future, the Administrator will use the debt service anticipated in the first year in which principal will be retired on such Bonds.

"Senior Bonds" means Bonds secured by a claim on Facilities Special Taxes that is prior to the claim thereon of Subordinate Bonds.

"Services Special Tax" means a Special Tax levied in any Fiscal Year to pay the Services Special Tax Requirement.

"Services Special Tax Requirement" means the amount of revenue needed in any Fiscal Year to pay for authorized services and to cure any delinquencies in the payment of Services 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 and pursuant hereto on property within CFD No. 2000-1.

"Subordinate Bonds" means Bonds (i) that are or will be subordinate to Senior Bonds if and when such Senior Bonds are issued and secured by Facilities Special Taxes remaining after provision has been made for payment of amounts then required to be made with respect to the Senior Bonds, and (ii) which are required to be tendered, in whole or in part, in the event no qualifying bids are submitted at the initial foreclosure sale of an Assessor's Parcel as described herein.

"Taxable Property" means all of the area within the boundaries of CFD No. 2000-1 which is not exempt from the Special Tax pursuant to law or Section I below.

"Undeveloped Property" means all Parcels of Taxable Property within CFD No. 2000-1 that are not Developed Property, Golf Course and Open Space or Property Owner Association Property.

"Unit" means the specific geographic area in which a Parcel is located as determined by reference to Attachments 3 and 4 of this Rate and Method of Apportionment.

"Unsited Public Acreage" means a maximum of 6.0 acres which will be required for future public facilities and for which specific sites in Metro Air Park had not been identified as of the formation date of CFD No. 2000-1.

"Zoning District" means a specific composition of land uses permitted by the County pursuant to Sacramento County Ordinance No. SZC 93-0045 (Metro Air Park Special Planning Area).

B. ASSIGNMENT TO UNIT

On June 1 of each year, all Taxable Property within CFD No. 2000-1 shall be categorized either as Developed Property or Undeveloped Property, and any Developed Property then constituting Property Owner Association Property or Public Acreage shall be so designated. All Taxable

Property shall be subject to tax in accordance with the rate and method of apportionment determined pursuant to Sections C and D below.

For purposes of determining the applicable Maximum Special Tax pursuant to Section C, all Parcels of Developed Property and Undeveloped Property shall be assigned to one of the 66 Units designated in Attachments 3 and 4. If an Assessor's Parcel overlaps two Units, the Administrator shall estimate the Acreage of the Parcel that falls within each Unit and determine the appropriate Maximum Special Tax for the Acreage within each Unit pursuant to Section C below.

C. MAXIMUM SPECIAL TAX RATE

1. Facilities Special Tax: Parcels that are not Foreclosure Parcels or Partial Prepayment Parcels

Until the first Fiscal Year in which the Facilities Special Tax Requirement does not include debt service on Subordinate Bonds because such Subordinate Bonds have been fully retired, the Maximum Facilities Special Tax for Parcels in CFD No. 2000-1 that are not Foreclosure Parcels or Partial Prepayment Parcels shall be the Maximum Facilities Special Tax for each Unit as set forth in Attachment 1. The Maximum Facilities Special Tax shall be allocated on a per-acre basis, to the nearest one-hundredth of an acre, to all Assessor's Parcels of Taxable Property within a Unit. If a Parcel within a Unit becomes a Foreclosure Parcel or Partial Prepayment Parcel, the Maximum Facilities Special Tax assigned to the Parcel before the Parcel became a Foreclosure Parcel or Partial Prepayment Parcel shall be subtracted from the Maximum Facilities Special Tax assigned to the Unit and such Parcel shall henceforth be taxed pursuant to Section C.2 and C.3 below. If Assessor's Parcels within a Unit are subdivided, combined, or otherwise reconfigured, the Maximum Facilities Special Tax assigned to such Parcels shall be reallocated on a per-acre basis to all new Parcels of Taxable Property. On each July 1, commencing July 1, 2001, the Maximum Facilities Special Taxes shown in Attachment 1 shall be increased to 102 percent of the respective Maximum Facilities Special Taxes in effect in the previous Fiscal Year.

In the first Fiscal Year in which the Facilities Special Tax Requirement does not include debt service on Subordinate Bonds because such Subordinate Bonds have been fully retired, the Maximum Facilities Special Tax for all Parcels that are not Foreclosure Parcels or Partial Prepayment Parcels shall be reduced by applying the following steps:

Step 1a. Determine the Remaining Annual Total Bond Debt Service, as defined in Section A above, using as the year of calculation the final year in which a full annual debt service was payable on Subordinate Bonds;

Step 1b. Divide the final year's debt service on Issued Subordinate Bonds by the amount determined in Step 1a and subtract the quotient from 1.00 to determine the "Remainder Percentage";

Step 1c. Identify the Maximum Facilities Special Tax that would have, prior to the reduction being calculated pursuant to these Steps 1a through 1d, applied in the current Fiscal Year to each Parcel that is not a Foreclosure Parcel or Partial Prepayment Parcel;

Step 1d. Multiply the Remainder Percentage determined in Step 1b by the amount identified for each Parcel in Step 1c to calculate the reduced Maximum Facilities Special Tax for each Parcel.

If Assessor's Parcels within a Unit are subdivided, combined, or otherwise reconfigured, the reduced Maximum Facilities Special Tax assigned to such Parcels shall be reallocated on a per-acre basis to all new Parcels of Taxable Property. On each July 1, commencing July 1 of the Fiscal Year after the Maximum Facilities Special Tax has been reduced pursuant to Steps 1a through 1d above, the reduced Maximum Facilities Special Taxes shall be increased to 102 percent of the respective Maximum Facilities Special Taxes in effect in the previous Fiscal Year.

2. Facilities Special Tax: Foreclosure Parcels

If no qualifying bids are received at the appointed time of the initial foreclosure sale for a Parcel, the County shall continue such initial foreclosure sale for at least ten (10) business days, and the County shall immediately deliver to the owner of Subordinate Bonds a notice that shall: (i) advise such owner that, under the circumstances described below, such owner may be required to tender at the time of the continued foreclosure sale Subordinate Bonds in an amount equal to the full principal amount of Subordinate Bonds supported by the Parcel's Facilities Special Tax, (ii) demonstrate how the amount of Subordinate Bonds that is required to be tendered was calculated by application of the steps set forth in Section E below, and (iii) inform the owner of such Subordinate Bonds that if, at the time of the continued foreclosure sale, the owner of the Subordinate Bonds delivers a certified check to the County in an amount equal to the balance of the delinquent Special Taxes, interest, penalties, legal fees, and administrative costs associated with the foreclosure and Bond tender, <u>not including</u> Facilities Special Taxes, interest, and penalties (but only if in the case of penalties the County makes the findings in Government Code Section 53340 (f) with respect to the waiver of penalties) attributable to the Subordinate Bonds (the "Payment Amount"), such owner shall be deemed to have made a qualifying bid for purchase of such Parcel at the continued foreclosure sale.

At the time of the continued foreclosure sale, the Subordinate Bond owner shall be required to tender Subordinate Bonds in the principal amount determined by application of Section E unless the County receives at such continued foreclosure sale a qualifying bid from a party other than the Subordinate Bond owner for purchase of the Parcel. If at the continued foreclosure sale the County receives a qualifying bid from a party other than the Subordinate Bond owner or if the Subordinate Bond owner timely delivers the Payment Amount, the Parcel shall be sold to the other qualifying bidder or such Subordinate Bond owner (as the case may be) at such continued foreclosure sale. In the absence of either such event, the

Foreclosure Parcel shall be offered for sale again, but at a new minimum bid price that eliminates all Facilities Special Taxes, interest and penalties (but only if in the case of penalties the County makes the findings in Government Code Section 53340 (f) with respect to the waiver of penalties) associated with the foreclosure and mandatory bond tender attributable to the Subordinate Bonds and the deemed prepayment of the Special Tax. If the initial foreclosure sale cannot be continued, the County will use its best efforts, in cooperation with the Subordinate Bond owner, to conduct a foreclosure sale process that achieves the same results that would have been produced by the process described above (in terms of the duty of the Subordinate Bond owner to tender Subordinate Bonds and its right to acquire the subject Parcel) to the maximum extent legally permissible and reasonably practicable.

After the mandatory bond tender, the portion of the Maximum Facilities Special Tax attributable to the Subordinate Bonds shall be deemed to have been prepaid in accordance herewith, and such tendered Subordinate Bonds shall be canceled. The Maximum Facilities Special Tax assigned to the Foreclosure Parcel shall be calculated pursuant to the following steps:

Step 2a. Determine the current Remaining Annual Total Bond Debt Service, as defined in Section A above;

Step 2b. Divide the annual debt service required to support Issued Subordinate Bonds, including Subordinate Bonds that will be tendered and canceled as a result of the Parcel becoming a Foreclosure Parcel, by the amount determined in Step 2a and subtract the quotient from 1.00 to determine the "Remainder Percentage";

Step 2c. Identify the Maximum Facilities Special Tax applicable to the Parcel which has become a Foreclosure Parcel;

Step 2d. Multiply the Remainder Percentage determined in Step 2b by the amount identified in Step 2c to calculate the reduced Maximum Facilities Special Tax for the Parcel.

If a Parcel that is a Foreclosure Parcel is subdivided, combined, or otherwise reconfigured, the Maximum Facilities Special Tax assigned to the Parcel shall be reallocated on a per-acre basis to all new Parcels of Taxable Property created by such subdivision, combination or reconfiguration.

The new Maximum Facilities Special Tax will take effect beginning the Fiscal Year immediately following the Fiscal Year in which the Parcel is classified as a Foreclosure Parcel and shall thereafter be considered the Maximum Facilities Special Tax for the Parcel. On each July 1, commencing the July 1 immediately following the Fiscal Year in which the reduced Maximum Facilities Special Tax was calculated, such Maximum Facilities Special

Tax shall be increased to 102 percent of the respective Maximum Facilities Special Tax in effect in the previous Fiscal Year.

3. *Partial Prepayment Parcel*

If the owner of a Parcel elects to make a voluntary partial prepayment pursuant to Section F below, the Parcel shall thereafter be categorized as a Partial Prepayment Parcel, and the reduced Maximum Facilities Special Tax for such Parcel shall be calculated pursuant to the following steps:

Step 3a. Determine the current Remaining Annual Total Bond Debt Service, as defined in Section A above;

Step 3b. Divide the annual debt service required to support Issued Subordinate Bonds, including Subordinate Bonds that will be prepaid in order for the Parcel to become a Partial Prepayment Parcel, by the amount determined in Step 3a and subtract the quotient from 1.00 to determine the "Remainder Percentage";

Step 3c. Identify the Maximum Facilities Special Tax applicable to the Parcel which will become a Partial Prepayment Parcel;

Step 3d. Multiply the Remainder Percentage determined in Step 3b by the amount identified in Step 3c to calculate the reduced Maximum Facilities Special Tax for the Parcel.

If a Partial Prepayment Parcel is subdivided, combined, or otherwise reconfigured, the Maximum Facilities Special Tax assigned to the Parcel shall be reallocated on a per-acre basis to all new Parcels of Taxable Property created by such subdivision, combination or reconfiguration.

The new Maximum Facilities Special Tax will take effect beginning the Fiscal Year immediately following the Fiscal Year in which the Parcel is classified as a Partial Prepayment Parcel and shall thereafter be considered the Maximum Facilities Special Tax for the Parcel. On each July 1, commencing the July 1 immediately following the Fiscal Year in which the reduced Maximum Facilities Special Tax was calculated, such Maximum Facilities Special Tax shall be increased to 102 percent of the respective Maximum Facilities Special Tax in effect in the previous Fiscal Year.

4. *Services Special Tax*

The Maximum Services Special Tax shall be the Maximum Services Special Tax for each Unit as set forth in Attachment 2. The County, in its sole discretion, may reallocate the landscaping portion of the Maximum Services Special Tax among the Units based on actual landscaping costs required in each Unit. The Maximum Services Special Tax shall be allocated on a per-acre basis, to the nearest one-hundredth of an acre, to all Assessor's Parcels of Taxable Property within a Unit. The Maximum Services Special Tax will not change when a Parcel becomes a Foreclosure Parcel or Partial Prepayment Parcel. If Assessor's Parcels within a Unit are subdivided, combined, or otherwise reconfigured, the Maximum Services Special Tax assigned to such Parcels shall be reallocated on a per-acre basis to all new Parcels of Taxable Property.

On each January 2, commencing January 2, 2001, the portion of the Maximum Services Special Tax that is associated with the maintenance cost for groundwater pumping shall be adjusted by applying the increase, if any, in the Consumer Price Index ("CPI") of the San Francisco-Oakland-San Jose area for all urban consumers that has occurred since January of the prior year or, the increase in the power rate charged by the Sacramento Municipal Utility District (SMUD) for power usage, whichever is higher. [A power cost of $8.00 per acre foot of water pumped was used in the calculation of the maintenance cost for groundwater pumping; therefore, the initial adjustment in January 2001 shall be based on any increase above $8.00 per acre foot.] The remaining portion of the Maximum Services Special Tax shall be adjusted by applying 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. Each annual adjustment of the Maximum Services Special Tax shall become effective on the subsequent July 1.

The water supply maintenance cost component of the Services Special Tax Requirement is expected to terminate in about five years after the formation of CFD No. 2000-1. When Services Special Tax revenue is no longer required to fund this cost component, as determined by the Administrator, the Maximum Services Special Tax in effect for each Zoning District at that time will be reduced as follows:

Step 1. Notwithstanding the actual Maximum Services Special Tax in effect at the time the reduction is being calculated, determine the Maximum Services Special Tax that would be in effect for each Zone if the original Maximum Services Special Tax assigned to each Zone (as shown in Attachment 2 to this Rate and Method of Apportionment of Special Tax) had been escalated solely by applying the increase, if any, in the Consumer Price Index ("CPI") of the San Francisco-Oakland-San Jose area for all urban consumers in each year beginning January 1, 2001 (i.e., disregard any adjustments that occurred due to a higher increase in the power rate charged by SMUD);

Step 2. Using the amounts determined for each Zone in Step 1 above, calculate the amount of Services Special Tax that is associated with the following reductions:

Zone 1 - 15% Reduction
Zone 2 - 15% Reduction

Zone 3 - 29% Reduction
Zone 4 - 21% Reduction
Zone 5 - 23% Reduction
Zone 6 - 13% Reduction

Step 3. Subtract the dollar amount calculated for each Zone in Step 2 above from the Maximum Services Special Tax in effect for each Zone at the time the reduction is calculated. The new reduced rates will then be the revised Maximum Services Special Tax rates for all Units and these revised Maximum Services Special Tax rates will continue to be subject to the annual inflation adjustments.

5. Revisions to Maximum Special Tax Due to Rezoning

If all or a portion of any Unit is changed through rezoning, SPA ordinance amendment, or other planning approval to a use other than that anticipated based on the "Applicable Zoning District" that is identified for the Unit in Attachment 1, and the County determines that the per-Acre Maximum Special Tax for the land use that will be developed within the Unit or portion of Unit after it has been rezoned is higher than the per-Acre Maximum Special Tax that had been assigned to the property prior to the rezoning, the Administrator may increase both the Maximum Facilities Special Tax and the Maximum Services Special Tax assigned to the property being rezoned to the amount that applies in that Fiscal Year to property with a similar land use.

If an individual landowner proposes rezoning two Units simultaneously which would result in an increased Maximum Special Tax in one Unit and a decreased Maximum Special Tax in the other Unit, the County may allow an exchange of the Maximum Special Tax obligations between the Units to the extent that, after such exchange, the total Maximum Special Tax revenues that can be collected from the property being rezoned is greater than or equal to the amount that could have been collected prior to the exchange. Other than a reduction due to a Special Tax exchange, there shall be no reduction in the Maximum Special Tax assigned to any Parcel within the CFD regardless of changes of land use.

6. Reduction in Maximum Special Tax Due to Unsited Public Acreage

Absent an exchange due to a rezoning as set forth in Section C.5 above, the Maximum Special Tax for a specific Unit cannot be reduced (except to account for Foreclosure Parcels and Partial Prepayment Parcels) unless Unsited Public Acreage is located in that Unit. When Unsited Public Acreage is located within a Unit and a separate Parcel is created for the Unsited Public Acreage, that Unit's Estimated Acreage as set forth in Attachments 1 and 2 will be reduced and the Maximum Special Tax will be reduced based on the Per-Acre Special Tax in effect at the time. However, if, after being located for the first time, any Unsited Public Acreage is relocated from its original location to a new location, the new location will be subject to the Per-Acre Special Tax applicable to the Unit on which the relocation occurs unless and until Special Taxes can be collected from the original location.

7. *Changes to Unit Configurations Prior to Map Recordation*

If the configuration and Acreage of Units as shown in Attachments 3 and 4 is changed prior to recordation of a Large-Lot Subdivision Map, the Maximum Special Tax for each Unit shall be revised to reflect those changes.

D. METHOD OF APPORTIONMENT OF THE ANNUAL SPECIAL TAX

The rate shall be calculated and method of apportionment applied separately for the annual Facilities Special Tax and Services Special Tax; the two Special Taxes shall be separated as two line items on the tax bill for each Parcel. Each Fiscal Year, the annual Facilities Special Tax and Services Special Tax shall be levied as follows until the amount of the levy equals the Facilities Special Tax Requirement and Services Special Tax Requirement, respectively, for that Fiscal Year.

1. *Facilities Special Tax*

First: Beginning in the Fiscal Year in which Capitalized Interest is expected to be insufficient to pay the interest coming due on Bonds of CFD No. 2000-1 in the calendar year that commences in such Fiscal Year, the Facilities Special Tax shall be levied Proportionately on each Parcel of Developed Property, excluding Property Owner Association Property, up to 100% of the Parcel's Maximum Facilities Special Tax determined pursuant to Section C, above;

Second: If additional revenue is needed after the first step has been completed, the Facilities Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property up to 100% of the Parcel's Maximum Facilities Special Tax, as determined pursuant to Section C above;

Third: If additional revenue is needed after the first two steps have been completed, the Facilities Special Tax shall be levied on all Golf Course and Open Space property only if total Golf Course and Open Space property exceeds 273.3 acres. The Facilities Special Tax to be levied on each acre of Golf Course and Open Space property shall be determined by multiplying the number of acres exceeding 273.3 by the Per-Acre Special Tax, as set forth in Attachments 1 and 2, for the Unit in which the excess acreage is located by comparing to the map in Attachment 4; the total Special Taxes will be allocated equally to each net acre in the Golf Course property. If less revenue is needed to meet the Facilities Special Tax Requirement, the Per-Acre Special Tax calculation in this Third step shall be reduced until only the amount needed is collected;

Fourth: If additional revenue is needed after the first three steps have been completed, the Facilities Special Tax shall be levied Proportionately on each Parcel of Property Owner Association Property up to the Maximum Facilities Special Tax pursuant to Section C, above; and

Fifth: If additional revenue is needed after the first four steps have been completed, the Facilities Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property conveyed to a public agency which has not been exempted from the Special Tax pursuant to Section I, up to the Maximum Facilities Special Tax pursuant to Section C, above.

2. Services Special Tax

First: Determine the Services Special Tax Requirement for the Fiscal Year;

Second: The Services Special Tax shall be levied Proportionately on each Parcel of Developed Property, excluding Property Owner Association Property, on a per-acre basis up to 100% of the assigned Maximum Services Special Tax, as determined pursuant to Section C.4, above;

Third: If additional revenue is needed after the second step has been completed, the Services Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property on a per-acre basis up to 100% of the Maximum Services Special Tax, as determined pursuant to Section C.4.

If an Assessor's Parcel overlaps two Units: (i) estimate the Acreage of the Parcel that falls within each Unit, (ii) multiply the appropriate per-acre Services Special Tax by the Acreage within each Unit, and (iii) sum the Services Special Tax calculated for each portion of the Parcel to determine the total Services Special Tax levy for the Parcel.

E. CALCULATION OF SUBORDINATE BONDS TO BE TENDERED

If, pursuant to Section C.2, a Parcel becomes a Foreclosure Parcel and a corresponding mandatory tender of Subordinate Bonds is required, the amount of Subordinate Bonds to be tendered shall be determined by application of the following steps:

Step 1. Determine the current Remaining Annual Total Bond Debt Service, as defined in Section A above;

Step 2. Divide the current annual debt service on Issued Subordinate Bonds, including Subordinate Bonds that will be canceled as a result of the Parcel becoming a Foreclosure Parcel, by the amount determined in Step 1;

Step 3. Multiply the quotient calculated in Step 2 by the Maximum Facilities Special Tax that could be collected from the Parcel which has become a Foreclosure Parcel in the Fiscal Year in which the Subordinate Bonds will be tendered (i.e., prior to the recalculation of the Maximum Facilities Special Tax that will occur after the Subordinate Bonds have been tendered);

Step 4. Divide the figure determined in Step 3 by the portion of the total Maximum Facilities Special Tax Revenues for that Fiscal Year that is estimated to support Issued Subordinate Bonds, as determined by the Administrator;

Step 5. Multiply the amount from Step 4 by the amount of Issued Subordinate Bonds less the Amortized Principal on such Subordinate Bonds to calculate the principal amount of Subordinate Bonds that must be tendered due to the Parcel becoming a Foreclosure Parcel.

F. PREPAYMENT OF SUBORDINATE BONDS

If the owner of a Parcel elects to voluntarily prepay the portion of Issued Subordinate Bonds applicable to the Parcel, the following steps shall be used to calculate the required prepayment amount. Such partial prepayment may be made only if there are no delinquent Special Taxes at the time of prepayment with respect to such Assessor's Parcel or any other Assessor's Parcel in CFD No. 2000-1 owned or partially owned by the owner or partial owner of the subject Assessor's Parcel, and the owner requesting prepayment provides a written guarantee to the County that there are no such delinquencies. Anyone intending to voluntarily prepay a portion of the Facilities Special Tax obligation of an Assessor's Parcel shall provide the County with (i) written notice of intent to prepay, (ii) payment of fees established by the County to process the prepayment request, and (iii) a written guarantee that there are no delinquent Special Taxes or property taxes against the Parcel or any other Parcel in CFD No. 2000-1 owned or partially owned by the owner or partial owner of the subject Parcel. Within a reasonable time frame (as determined by the County), the County shall notify such owner of the prepayment amount of such Assessor's Parcel. Prepayment must be made not less than 75 days prior to any redemption date for Bonds to be redeemed with the proceeds of such prepaid Facilities Special Taxes.

If a prepayment is made pursuant to this Section F, the reduced Maximum Facilities Special Tax that shall apply to the Parcel after such prepayment is received by the County shall be calculated by applying the steps set forth in Section C.3 above. As of the proposed date of prepayment, the partial prepayment shall be determined by application of the following steps:

Step 1. Determine the portion of the Maximum Facilities Special Tax for the Parcel that is associated with Issued Subordinate Bonds by subtracting the reduced Maximum Facilities Special Tax that will apply to the Parcel after the partial prepayment, as determined by application of Steps 3a through 3d in Section C.3 above, from the Maximum Facilities Special Tax that currently applies to the Parcel (i.e., prior to the partial prepayment);

Step 2. Divide the amount from Step 1 by the portion of the total Maximum Facilities Special Tax Revenues that could be collected in that Fiscal Year that is estimated to support Issued Subordinate Bonds, as determined by the Administrator;

Step 3. Multiply the quotient calculated in Step 2 by the total Issued Subordinate Bonds less the Amortized Principal on such Subordinate Bonds to determine the amount of Subordinate Bonds that must be called in connection with the prepayment (the ***"Bond Redemption Amount"***);

Step 4. Multiply the Bond Redemption Amount computed pursuant to Step 3 by the applicable redemption premium, if any, on the Subordinate Bonds that will be redeemed (the ***"Redemption Premium"***);

Step 5. Compute the amount needed to pay interest on the Bond Redemption Amount from the last interest payment date on the Subordinate Bonds until the earliest redemption date for the Subordinate Bonds (if applicable);

Step 6. Compute the minimum amount the County reasonably expects to derive from the reinvestment of the Bond Redemption Amount plus the Redemption Premium until the redemption date for the Subordinate Bonds that the County expects to redeem with the prepayment (if applicable);

Step 7. Take the amount computed pursuant to Step 5 and subtract the amount computed pursuant to Step 6 (the ***"Defeasance"***);

Step 8. The administrative fees and expenses of CFD No. 2000-1 are as calculated by the County and include the costs of computing the prepayment, the costs of redeeming Bonds (if any), and the costs of recording any notices to evidence the prepayment and the redemption (the ***"Administrative Fees and Expenses"***);

Step 9. If and to the extent so provided in the documents pursuant to which the Subordinate Bonds to be redeemed were issued, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Subordinate Bonds to be redeemed pursuant to the prepayment (the "***Reserve Fund Credit"***);

Step 10. The prepayment required to retire Subordinate Bonds secured by the Parcel is equal to the sum of the amounts computed pursuant to Steps 3, 4, 7, and 8, less the amount computed pursuant to Step 9 (the ***"Prepayment Amount"***).

G. PREPAYMENT OF SENIOR BONDS

The entire Facilities Special Tax obligation applicable to each Assessor's Parcel in CFD No. 2000-1 may be prepaid and the obligation of the Assessor's Parcel to pay the Facilities Special Tax permanently satisfied as described herein, provided that a voluntary prepayment may be made only if there are no delinquent Special Taxes at the time of prepayment with respect to such Assessor's Parcel or any other Assessor's Parcel in CFD No. 2000-1 owned or partially owned by the owner or partial owner of the subject Assessor's Parcel, and the owner requesting prepayment provides a written guarantee to the County that there are no such delinquencies. Anyone intending to voluntarily prepay the Facilities Special Tax obligation of an Assessor's Parcel shall provide the County with (i) written notice of intent to prepay, (ii) payment of fees established by the County to process the prepayment request, and (iii) a written guarantee that there are no delinquent Special Taxes or property taxes against the Parcel or any other Parcel in CFD No. 2000-1 owned or partially owned by the owner or partial owner of the subject Parcel. Within a reasonable time frame (as determined by the County), the County shall notify such owner of the prepayment amount of such Assessor's Parcel. Prepayment must be made not less than 75 days prior to any redemption date for Bonds to be redeemed with the proceeds of such prepaid Facilities Special Taxes (the "Prepayment Date").

Notwithstanding the foregoing, the portion of the Facilities Special Tax obligation associated with Issued Subordinate Bonds for a Foreclosure Parcel in CFD No. 2000-1 which shall be determined pursuant to Section F above shall be deemed to have been prepaid simultaneously with the tender of Issued Subordinate Bonds. The remaining portion of the Facilities Special Tax may be prepaid and the obligation to pay the Facilities Special Tax permanently satisfied, provided that delinquent Special Taxes, interest, penalties, and other costs associated with the Senior Bonds (if any) have been cured at the time of prepayment.

A prepayment may be made for any Parcel owned by a public agency on any Prepayment Date and a prepayment may be made on any other Parcel on any Prepayment Date after a Large-Lot Subdivision Map has been recorded. Revenues from prepayment of Facilities Special Taxes pursuant to this Section G may be used by the County for any purpose allowed under the Act, including but not limited to the following: (i) to redeem Bonds; (ii) to apply toward facilities that otherwise would have been funded by the next Bond issue; and (iii) to escrow and use to defease Bonds in future Fiscal Years. Notwithstanding the foregoing, the portion of any prepayment that is determined to be needed to pay the Future Facilities Amount pursuant to Step 5 below shall be deposited into the CFD fund or account that is established exclusively to pay directly for authorized capital improvements except that the County must, under all circumstances, redeem Bonds sufficient to achieve any minimum debt service coverage requirements set forth in the documents pursuant to which Bonds are issued.

A partial prepayment may be made in the amount required to retire Issued Subordinate Bonds secured by the Parcel. If a Parcel owner desires to make a partial prepayment, the formula set forth in Section F above shall be used. The prepayment formula set forth in this Section G shall be used exclusively to determine the prepayment amount associated with outstanding and future Senior Bonds, which prepayment amount, when received by the County in combination with the prepayment determined for the Parcel in Section F, shall fully release the Parcel from its Facilities Special Tax obligation.

Only the Facilities Special Tax may be prepaid; the Services Special Tax shall continue to be levied on an annual basis on all Taxable Property in CFD No. 2000-1.

The following definitions apply to this Section G:

"Future Facilities Costs" means the Public Facilities Costs (as defined below) minus any costs funded by Issued Senior Bonds or Subordinate Bonds, prior prepayments, interest earnings on the construction fund actually earned prior to the date of prepayment, Special Taxes, developer equity, CSD-1 reimbursements, and/or any other source of funding.

"Public Facility Costs" means $95,032,000 (year 2000 dollars) or such other number as shall be determined by the Administrator as sufficient to fund the Public Facilities.

The Prepayment Amount shall be calculated as follows (capitalized terms as defined below):

Bond Redemption Amount	
plus	Future Facilities Amount
plus	Redemption Premium
plus	Defeasance
plus	Administrative Fees and Expenses
less	Reserve Fund Credit
equals	Prepayment Amount

As of the proposed date of prepayment, the Prepayment Amount shall be determined by application of the following steps:

Step 1. By application of Steps 3a through 3d in Section C.3 above, calculate the portion of the Parcel's Maximum Facilities Special Tax which supports Senior Bonds;

Step 2. Divide the amount determined in Step 1 by the portion of the total Maximum Facilities Special Tax Revenues that could be collected in that Fiscal Year that is estimated to support Senior Bonds, as determined by the Administrator.

Step 3. Multiply the quotient computed pursuant to Step 2 by the principal amount of outstanding Senior Bonds to compute the amount of outstanding Senior Bonds to be retired and prepaid (the *"**Bond Redemption Amount**"*). If a Facilities Special Tax has been levied against or already paid by an Assessor's Parcel making a prepayment, and the Special Tax will be used to pay a portion of the next principal payment on Senior Bonds that remain outstanding, that next principal payment on the Senior Bonds will not be included in the amount of outstanding Senior Bonds for purposes of this Step 3.

Step 4. Compute the current Future Facilities Costs.

Step 5. Multiply the quotient computed pursuant to Step 2 by the amount determined pursuant to Step 4 to compute the amount of Future Facilities Costs to be prepaid (the *"**Future Facilities Amount**"*).

Step 6. Multiply the Bond Redemption Amount computed pursuant to Step 3 by the applicable redemption premium, if any, on the Senior Bonds to be redeemed (the *"**Redemption Premium**"*).

Step 7. Compute the amount needed to pay interest on the Bond Redemption Amount from the last interest payment date on the Senior Bonds to be redeemed until the earliest redemption date for the Senior Bonds to be redeemed.

Step 8. Compute the minimum amount the County reasonably expects to derive from the reinvestment of the Bond Redemption Amount plus the Redemption Premium until the redemption date for the Senior Bonds that the County expects to redeem with the prepayment.

Step 9. Take the amount computed pursuant to Step 7 and subtract the amount computed pursuant to Step 8 (the *"**Defeasance**"*).

Step 10. The administrative fees and expenses of CFD No. 2000-1 are as calculated by the County and include the costs of computation of the prepayment, the costs of redeeming Bonds, and the costs of recording any notices to evidence the prepayment and the redemption (the *"**Administrative Fees and Expenses**"*).

Step 11. If and to the extent so provided in the documents pursuant to which the Senior Bonds to be redeemed were issued, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for the Senior Bonds to be redeemed pursuant to the prepayment (the "***Reserve Fund Credit***").

Step 12. The total Special Tax prepayment for the Parcel is equal to the sum of the amounts computed pursuant to Steps 3, 5, 6, 9, and 10, less the amount computed pursuant to Step 11, plus the amount determined in Step 10 of Section F above (the *"**Prepayment Amount**"*).

H. ANNEXATION CATCH-UP TAX

If additional property proposes annexation into CFD No. 2000-1 in any future Fiscal Year, such property shall be subject to an "Annexation Catch-up Tax" that shall become due and payable after a successful election has taken place pursuant to Section 53339.7 of the Act. Proceeds from collection of an Annexation Catch-up Tax shall be used at the County's discretion. The Annexation Catch-up Tax shall be equal to the sum of the following:

(1) **Missed Facilities Special Tax Payments** - the total Facilities Special Tax amount that would have been levied on the property proposing annexation had the property been included in CFD No. 2000-1 at the time the CFD was formed, as determined by the Administrator. Only Special Tax payments that would have been made through the first seven years after the CFD was formed or up to the time of annexation, whichever is less, shall be included. Such amount shall be determined by evaluating the amount that would have been levied in each prior Fiscal Year on property in the same Zoning District as the property proposing annexation.

(2) **Interest Carry** - the amount calculated in (1) above shall be increased each year at a 9.0% interest rate from the first Fiscal Year in which Special Taxes were levied on behalf of CFD No. 2000-1 through and including the Fiscal Year in which the Annexation Catch-up Tax is being calculated (unless the annexing Parcel is to be included on the tax roll for the Fiscal Year in which the Annexation Catch-up Tax is being calculated) or up to a maximum of seven years, whichever is less.

In addition to the Annexation Catch-up Tax, any party requesting annexation into CFD No. 2000-1 shall pay all costs associated with the annexation process, including the cost of County staff time, consultant fees, recording costs, and any other costs deemed appropriate by the County.

I. LIMITATIONS

Notwithstanding any other provision of this Rate and Method of Apportionment of Special Tax, no Special Taxes shall be levied on land conveyed to a public agency, except as otherwise provided in Sections 53317.3 and 53317.5 of the Act. In no event shall a Special Tax be levied on Acreage identified as Public Acreage or Unsited Public Acreage in Attachments 3 and 4. If the sites designated as major roads (namely, Metro Air Parkway, Elkhorn Boulevard, and Elverta Road as shown on Attachment 4 or as renamed subsequent to formation of CFD No. 2000-1) and light rail are relocated, the new major road and light rail Public Acreage will again become exempt. If such relocation occurs, the amount previously designated as Public Acreage will become part of an existing Unit and be taxed based on the Per-Acre Special Tax for that Unit; the portion of a Unit's Taxable Property that becomes Public Acreage will not be taxed and the Unit's Maximum Special Tax will be reduced accordingly. This trading of major road and light rail Public Acreage will be permitted to the extent that there is no net loss in Maximum CFD Revenues. When such a trade occurs, the Administrator will recalculate the Maximum Special Taxes, revise Attachments 1, 2, 3, and 4, and cause a revised map to be recorded.

Public Acreage and Unsited Public Acreage shall be restricted to a total of 211.8 acres as shown in Attachment 3. If any category of Public Acreage and Unsited Public Acreage exceeds the amount of acres identified in Attachment 3, the acres exceeding such total will be obligated to pay Special Taxes equal to the product of the excess Acreage times the Per-Acre Special Tax for the Unit into which the property infringed.

In no event shall a Special Tax be levied on land designated as Golf Course and Open Space unless the total Acreage of Golf Course and Open Space property exceeds 273.3 acres and Special Taxes on Golf Course and Open Space are required pursuant to Section D above. However, if property designated for Golf Course and Open Space use is developed as another land use, that property shall be subject to the Per-Acre Special Tax paid by similarly developed property elsewhere in CFD No. 2000-1.

Finally, if the Administrator decides, in his/her sole discretion, that after a Parcel subdivides a portion has become undevelopable due to its size, configuration, or for any other reason, the new unusable Parcel will be exempt from the levy of Special Tax, and the Special Tax shall be reallocated to the remaining Taxable Property.

J. MANNER OF COLLECTION

The annual Special Tax for CFD No. 2000-1 shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that the County may collect Special Taxes at a different time or in a different manner if necessary to meet CFD No. 2000-1 financial obligations. The Facilities Special Tax and the Services Special Tax shall be levied as separate line items on the tax bill and shall be deposited into separate accounts. In the event of a delinquency, the County shall pursue foreclosure in a timely manner.

The Facilities Special Tax shall be levied and collected until principal and interest on Bonds have been repaid and authorized facilities to be constructed directly from Special Tax proceeds have been completed. However, in no event shall a Facilities Special Tax be levied after Fiscal Year 2100-2101. The Services Special Tax shall continue to be levied unless and until the County determines that Services Special Tax revenue is no longer needed to pay for authorized maintenance expenses.

K. 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. In addition, the interpretation and application of any section of this document shall be left to the County'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.

Attachment 1

County of Sacramento
Metro Air Park Community Facilities District No. 2000-1
Annual Maximum Facilities Special Taxes, FY 2000-01

Special Tax Unit Diagram For Metro Air Park Unit # *(See Note 1)*	*Applicable Zoning District* *(See Note 2)*	*Estimated Acreage* *(See Note 3)*	*Per-Acre Facilities Special Tax* *(See Note 4)*	*Annual Maximum Facilities Special Tax* *(See Note 4)*
1	1	40.2	$4,315	$173,290
2	1	30.1	$4,315	$129,679
3	3	34.8	$6,712	$233,854
4	NA	0.0	$0	$0
5	1	36.3	$4,315	$156,505
6A	1	23.4	$4,315	$100,842
6B	2	50.6	$4,315	$218,296
7	3	32.6	$6,712	$218,684
8	2	60.3	$4,315	$259,979
9	2	117.8	$4,315	$508,480
10A	2	35.2	$4,315	$151,974
10B	5	9.4	$8,270	$77,494
11	5	20.7	$8,270	$171,032
12	1	18.7	$4,315	$80,475
13	5	24.2	$8,270	$200,144
14	5	2.3	$8,270	$19,146
15	1	47.3	$4,315	$203,884
16	1	3.7	$4,315	$15,860
17	5	5.6	$8,270	$46,141
18	5	13.5	$8,270	$111,320
19	1	12.3	$4,315	$53,185
20	1	6.0	$4,315	$25,717
21	4	2.2	$7,551	$16,915
22	4	30.5	$7,551	$229,936
23A	4	28.9	$7,551	$217,854
23B	5	2.5	$8,270	$20,759
24	5	3.7	$8,270	$30,270
25	5	27.2	$8,270	$224,625
26	NA	0.0	$0	$0
27	NA	0.0	$0	$0

Attachment 1

County of Sacramento
Metro Air Park Community Facilities District No. 2000-1
Annual Maximum Facilities Special Taxes, FY 2000-01

Special Tax Unit Diagram For Metro Air Park Unit # (See Note 1)	*Applicable Zoning District (See Note 2)*	*Estimated Acreage (See Note 3)*	*Per-Acre Facilities Special Tax (See Note 4)*	*Annual Maximum Facilities Special Tax (See Note 4)*
28A	5	36.7	$8,270	$303,442
28B	4	31.3	$7,551	$236,430
29	NA	0.0	$0	$0
30	1	4.9	$4,315	$21,029
31	NA	0.0	$0	$0
32A	1	11.0	$4,315	$47,508
32B	5	5.6	$8,270	$46,480
33A	5	19.4	$8,270	$160,033
33B	4	5.4	$7,551	$40,573
34	4	4.9	$7,551	$37,052
35	5	2.2	$8,270	$18,407
36	5	22.6	$8,270	$186,829
37	5	2.4	$8,270	$19,932
38	5	14.5	$8,270	$119,756
39	5	16.6	$8,270	$137,289
40	5	3.9	$8,270	$32,475
41A	5	59.0	$8,270	$487,706
41B	1	33.4	$4,315	$143,905
42A	1	48.3	$4,315	$208,242
42B	5	19.7	$8,270	$162,679
43	6	5.0	$4,315	$21,575
44	1	122.8	$4,315	$529,925
45	3	41.0	$6,712	$275,000
46	3	15.6	$6,712	$104,711
47	3	30.6	$6,712	$205,193
48	3	7.9	$6,712	$52,691
49	1	56.1	$4,315	$241,942
50A	5	14.4	$8,270	$118,763
50B	2	11.5	$4,315	$49,579
51	5	6.6	$8,270	$54,195

Attachment 1

County of Sacramento
Metro Air Park Community Facilities District No. 2000-1
Annual Maximum Facilities Special Taxes, FY 2000-01

Special Tax Unit Diagram For Metro Air Park Unit # *(See Note 1)*	*Applicable Zoning District* *(See Note 2)*	*Estimated Acreage* *(See Note 3)*	*Per-Acre Facilities Special Tax* *(See Note 4)*	*Annual Maximum Facilities Special Tax* *(See Note 4)*
52	4	11.9	$7,551	$89,709
53	NA	0.0	$0	$0
54	1	18.6	$4,315	$80,361
55	4	2.8	$7,551	$21,498
56	1	2.5	$4,315	$10,792
57	1	4.6	$4,315	$19,978
Total		**1,412.9**		**$8,182,016**

Notes:

1. As of the formation date for CFD NO. 2000-1, Units 16, 19, 30, 33A, 33B, 34, 35, 40, 51, 54, and 56, totaling approximately 84 net acres, were not included in the CFD.

2. Each Unit lies within a specific Zoning District, which consists of certain land uses anticipated to be developed as of the formation of CFD No. 2000-1. The same Special Taxes will apply to each Unit regardless of the land uses that are ultimately developed.

3. Estimated Acreage represents gross acreage within a Unit less all Public Acreage except Unsited Public Acreage. Once Unsited Public Acreage is located on a specific Unit, that Unit's Estimated Acreage will be reduced and the Maximum Special Taxes will be reduced accordingly.

4. On each July 1, commencing July 1, 2001, the Per-Acre Special Tax and the Maximum Special Taxes shall be increased to 102 percent of the respective Per-Acre or Maximum Special Taxes in effect in the previous Fiscal Year. The Per-Acre Special Tax is based on the Estimated Acreage; since the Estimated Acreage will vary based on the amount of actual Public Acreage within the Unit, the Per-Acre Special Tax is only an estimate.

Attachment 2

County of Sacramento
Metro Air Park Community Services District No. 2000-1
Annual Maximum Services Special Taxes, FY 2000-01

Special Tax Unit Diagram For Metro Air Park Unit # *(See Note 1)*	*Applicable Zoning District* *(See Note 2)*	*Estimated Acreage* *(See Note 3)*	*Per-Acre Services Special Tax* *(See Note 4)*	*Annual Maximum Services Special Tax* *(See Note 4)*
1	1	40.2	$405	$16,265
2	1	30.1	$405	$12,171
3	3	34.8	$575	$20,033
4	NA	0.0	$0	$0
5	1	36.3	$405	$14,689
6A	1	23.4	$405	$9,465
6B	2	50.6	$390	$19,730
7	3	32.6	$575	$18,734
8	2	60.3	$390	$23,498
9	2	117.8	$390	$45,958
10A	2	35.2	$390	$13,736
10B	5	9.4	$713	$6,681
11	5	20.7	$713	$14,745
12	1	18.7	$405	$7,553
13	5	24.2	$713	$17,255
14	5	2.3	$713	$1,651
15	1	47.3	$405	$19,136
16	1	3.7	$405	$1,489
17	5	5.6	$713	$3,978
18	5	13.5	$713	$9,597
19	1	12.3	$405	$4,992
20	1	6.0	$405	$2,414
21	4	2.2	$663	$1,485
22	4	30.5	$663	$20,188
23A	4	28.9	$663	$19,128
23B	5	2.5	$713	$1,790
24	5	3.7	$713	$2,610
25	5	27.2	$713	$19,365
26	NA	0.0	$0	$0
27	NA	0.0	$0	$0

Attachment 2

County of Sacramento
Metro Air Park Community Services District No. 2000-1
Annual Maximum Services Special Taxes, FY 2000-01

Special Tax Unit Diagram For Metro Air Park Unit # *(See Note 1)*	*Applicable Zoning District* *(See Note 2)*	*Estimated Acreage* *(See Note 3)*	*Per-Acre Services Special Tax* *(See Note 4)*	*Annual Maximum Services Special Tax* *(See Note 4)*
28A	5	36.7	$713	$26,160
28B	4	31.3	$663	$20,759
29	NA	0.0	$0	$0
30	1	4.9	$405	$1,974
31	NA	0.0	$0	$0
32A	1	11.0	$405	$4,459
32B	5	5.6	$713	$4,007
33A	5	19.4	$713	$13,797
33B	4	5.4	$663	$3,562
34	4	4.9	$663	$3,253
35	5	2.2	$713	$1,587
36	5	22.6	$713	$16,107
37	5	2.4	$713	$1,718
38	5	14.5	$713	$10,324
39	5	16.6	$713	$11,836
40	5	3.9	$713	$2,800
41A	5	59.0	$713	$42,046
41B	1	33.4	$405	$13,507
42A	1	48.3	$405	$19,545
42B	5	19.7	$713	$14,025
43	6	5.0	$433	$2,165
44	1	122.8	$405	$49,738
45	3	41.0	$575	$23,558
46	3	15.6	$575	$8,970
47	3	30.6	$575	$17,578
48	3	7.9	$575	$4,514
49	1	56.1	$405	$22,708
50A	5	14.4	$713	$10,239
50B	2	11.5	$390	$4,481
51	5	6.6	$713	$4,672

Attachment 2

County of Sacramento
Metro Air Park Community Services District No. 2000-1
Annual Maximum Services Special Taxes, FY 2000-01

Special Tax Unit Diagram For Metro Air Park Unit # *(See Note 1)*	*Applicable Zoning District* *(See Note 2)*	*Estimated Acreage* *(See Note 3)*	*Per-Acre Services Special Tax* *(See Note 4)*	*Annual Maximum Services Special Tax* *(See Note 4)*
52	4	11.9	$663	$7,876
53	NA	0.0	$0	$0
54	1	18.6	$405	$7,543
55	4	2.8	$663	$1,888
56	1	2.5	$405	$1,013
57	1	4.6	$405	$1,875
Total		**1,412.9**		**$728,615**

Notes:

1. As of the formation date for CFD No. 2000-1, Units 16, 19, 30, 33A, 33B, 34, 35, 40, 51, 54, and 56, totaling approximately 84 net acres, were not included in the CFD.

2. Each Unit lies within a specific Zoning District, which consists of certain land uses anticipated to be developed as of the formation of CFD No. 2000-1. The same Special Taxes will apply to each Unit regardless of the land uses that are ultimately developed.

3. Estimated Acreage represents gross acreage within a Unit less all Public Acreage except Unsited Public Acreage. Once Unsited Public Acreage is located on a specific Unit, that Unit's Estimated Acreage will be reduced and the Maximum Special Taxes will be reduced accordingly.

4. On each January 2, commencing January 2, 2001, the portion of the Maximum Services Special Tax associated with the maintenance cost for drainage maintenance shall be adjusted by applying the increase, if any, in the CPI of the San Francisco-Oakland-San Jose area for all urban consumers that has occurred since January of the prior year or, the increase in the power rate charge by the Sacramento Municipal Utility District for power usage, whichever is higher. The remaining portion of the Maximum Services Special Tax shall be increased by applying the increase in the Consumer Price Index of the San Francisco-Oakland-San Jose area to the respective Per-Acre or Maximum Special Tax rates in effect in the previous Fiscal Year. The Per-Acre Special Tax is based on the Estimated Acreage; since the Estimated Acreage will vary based on the amount of actual Public Acreage within the Unit, the Per-Acre Special Tax is only an estimate.

Attachment 3

County of Sacramento
Metro Air Park Community Facilities District No. 2000-1
Developable and Total Acreage by Zoning District

Special Tax Unit Diagram For Metro Air Park Unit #	*Developable Acres*	*Light Manufacturing & Distribution* *Zone 1*	*Airport Related* *Zone 2*	*High-Tech / R&D* *Zone 3*	*Professional Corporate* *Zone 4*	*Commercial* *Zone 5*	*Golf Course / Open Space* *Zone 6*
1	40.2	40.2					
2	30.1	30.1					
3	34.8			34.8			
4	51.7						51.7
5	36.3	36.3					
6A	23.4	23.4					
6B	50.6		50.6				
7	32.6			32.6			
8	60.3		60.3				
9	117.8		117.8				
10A	35.2		35.2				
10B	9.4					9.4	
11	20.7					20.7	
12	18.7	18.7					
13	24.2					24.2	
14	2.3					2.3	
15	47.3	47.3					
16	3.7	3.7					
17	5.6					5.6	
18	13.5					13.5	
19	12.3	12.3					
20	6.0	6.0					
21	2.2				2.2		
22	30.5				30.5		
23A	28.9				28.9		
23B	2.5					2.5	
24	3.7					3.7	
25	27.2					27.2	
26	0.0						
27	0.0						
28A	36.7					36.7	
28B	31.3				31.3		
29	22.5						22.5
30	4.9	4.9					
31	22.3						22.3
32A	11.0	11.0					
32B	5.6					5.6	
33A	19.4					19.4	
33B	5.4				5.4		
34	4.9				4.9		

Attachment 3

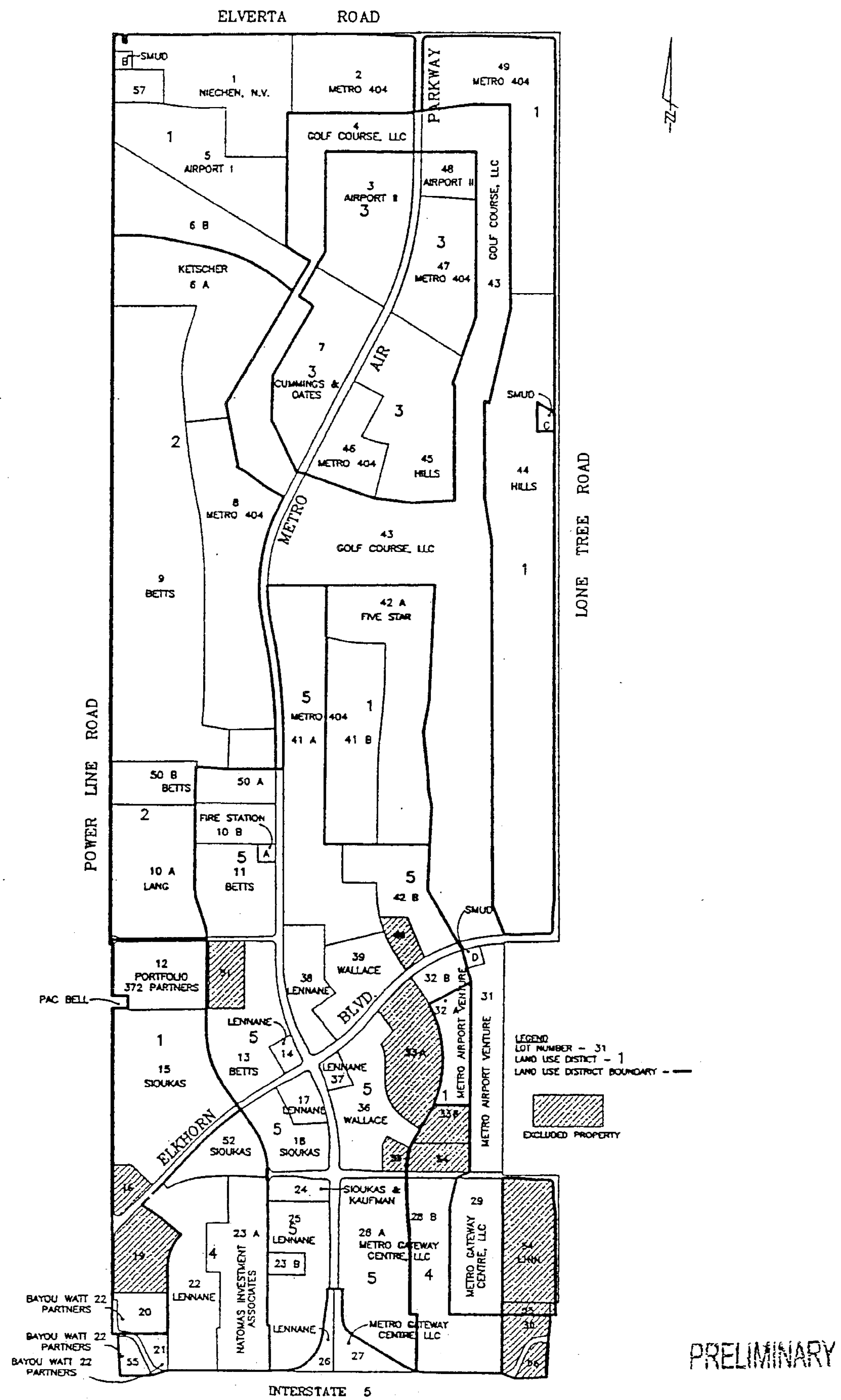
County of Sacramento
Metro Air Park Community Facilities District No. 2000-1
Developable and Total Acreage by Zoning District

Special Tax Unit Diagram For Metro Air Park Unit #	*Developable Acres*	*Light Manufacturing & Distribution* Zone 1	*Airport Related* Zone 2	*High-Tech / R&D* Zone 3	*Professional Corporate* Zone 4	*Commercial* Zone 5	*Golf Course / Open Space* Zone 6
35	2.2					2.2	
36	22.6					22.6	
37	2.4					2.4	
38	14.5					14.5	
39	16.6					16.6	
40	3.9					3.9	
41A	59.0					59.0	
41B	33.4	33.4					
42A	48.3	48.3					
42B	19.7					19.7	
43	180.1						180.1
44	122.8	122.8					
45	41.0			41.0			
46	15.6			15.6			
47	30.6			30.6			
48	7.9			7.9			
49	56.1	56.1					
50A	14.4					14.4	
50B	11.5		11.5				
51	6.6					6.6	
52	11.9				11.9		
53	1.8						1.8
54	18.6	18.6					
55	2.8				2.8		
56	2.5	2.5					
57	4.6	4.6					
Gross Developable	**1,686.2**	**519.8**	**275.4**	**162.4**	**117.9**	**332.4**	**278.3**
Unsited Public Acres	**6.0**						
Net Developable	**1,680.2**						
Public Acreage							
Unsited Public Acres							
Freeway Interchange							
Light Rail							
Major Roads							
Local Roads							
Irrigation/Drainage							
Subtotal	**211.8**						
Total	**1,892.0**						

ATTACHMENT 4

METRO AIR PARK COMMUNITY FACILITIES DISTRICT NO. 2000-1
SPECIAL TAX UNIT DIAGRAM FOR METRO AIR PARK
(DATED JULY 2000)

(MAP ON FILE WITH THE CLERK OF THE BOARD OF SUPERVISORS OF SACRAMENTO COUNTY)



PRELIMINARY

SEPT 2000

Drafted by: SAC