RESOLUTION NO. 2013-60


WHEREAS, on April 11, 2013, the Council of the City of Fresno ("Council") adopted its Resolution of Intention to Annex Final Parcel Map No. 2008-13 as Annexation No. 3 to the City of Fresno, Community Facilities District No. 9 ("CFD No. 9") and to Authorize the Levy of Special Taxes ("Resolution of Intention"), pursuant to the City of Fresno Special Tax Financing Law, Chapter 8, Division 1, Article 3, of the Fresno Municipal Code ("City Law"); and

WHEREAS, a copy of the Resolution of Intention is attached hereto as Exhibit A, the original being on file with the City of Fresno City Clerk ("City Clerk"), and the provisions thereof are incorporated herein by this reference as if fully set forth herein; and

WHEREAS, the Resolution of Intention states the Services (as "Services" is defined therein) to be provided, the estimated maximum cost of providing the Services, and the rate and method of apportioning the special tax to be levied within Annexation No. 3 of CFD No. 9 to pay for the services for Annexation No. 3 of CFD No. 9; and

WHEREAS, the Modified District Report shows that the quantity of features to be maintained has increased and basing the estimated maximum special tax on the increased quantity of features to be maintained will result in a increased probable maximum special tax to be paid by the property owners within Annexation No. 3; and

WHEREAS, "Services" as defined in Exhibit C of Resolution of Intention No. 2013-42 have been modified to show the increased quantity of feature locations to be maintained; and

WHEREAS, City Law does not set forth a specific procedure for modifying an annexation resolution of intention, however, Chapter 2.5, Section 53325 of the California Government Code permits the Council to modify a resolution of intention to increase the probable special tax by

Date Adopted: 05/02/2013
Date Approved: 05/02/2013
Effective Date: 05/02/2013

Resolution No. 2013-60
directing that a report describing and analyzing the impact of the proposed modification upon the probable special tax to be paid by owners of lots or parcels within the area proposed for annexation; and

WHEREAS, on this date the Council, subject to receipt and consideration of modified District Report, proposed to modify the Resolution of Intention to reflect the increased costs for providing the Services that will result in increased probable special taxes; and

WHEREAS, the Council directed the Director of the Public Works Department ("Director"), as the officer having charge and control of the Services in and for CFD No. 9, or his designee, to prepare and file with the City clerk, and to present to the Council for consideration and approval, a modified written report for Annexation No. 3 ("Modified District Report") that will be made a part of the record of the public hearing on Annexation No. 3, and that:

a. Includes the following elements that were directed in the Resolution of Intention to be in the report:

(i) A description of the Services by type required to adequately meet the needs of CFD No. 9, Annexation No. 3; and

(ii) An estimate of the fair and reasonable cost of the Services including the cost of acquiring land, rights-of-way and easements, costs of any physical services required in conjunction therewith, and incidental expenses in connection therewith; and

(iii) If the Special Tax levied within the territory proposed to be annexed is higher or lower than the existing CFD No. 9, identify the extent and reasons why the costs to provide services in that territory are higher or lower than those provided in the existing CFD No. 9. Specify any alteration in the special tax rate levied within the existing CFD No. 9 because of the proposed annexation; and

b. Includes a brief analysis of the impact of the proposed modifications on the probable special tax to be paid by the owners of lots or parcels in Annexation No. 3 of CFD No. 9.

WHEREAS, the Director has prepared the Modified District Report, a copy of which is attached hereto as Exhibit B and the original being on file with the City Clerk; and
WHEREAS, the Council has considered the Modified District Report and the proposed modification to the Resolution of Intention that will result in increased probable special taxes to be paid by the owner of any lot or parcel within Annexation No. 3; and

WHEREAS, the landowners of Final Parcel Map No. 2008-13 (Annexation No. 3) have requested the modification and have been properly notified of the changes to the estimated costs and estimated maximum special tax to be levied.

NOW, THEREFORE, BE IT RESOLVED, by the Council of the City of Fresno as follows:

1. Recitals. The foregoing recitals are true and correct.

2. Revised District Report Approved. Council has received and considered the Modified District Report for Annexation No. 3 and approves the Report.


4. Direction to the City Clerk. For a record of the modification, the City Clerk is direct to affix a copy of this resolution to the original Resolution of Intention No. 2013-42 on file with the City Clerk.

Attachments:

Exhibit A – Resolution of Intention No. 2013-42
Exhibit B – Modified District Report for Annexation No. 3
STATE OF CALIFORNIA )
COUNTY OF FRESNO ss.
CITY OF FRESNO )

I, YVONNE SPENCE, City Clerk of the City of Fresno, certify that the foregoing resolution was adopted by the Council of the City of Fresno, at a regular meeting held on the ____________ day of May, 2013.

AYES: Brand, Brandau, Caprioglio, Olivier, Quintero, Xiong
NOES: None
ABSENT: Baines
ABSTAIN: None

YVONNE SPENCE, CMC
City Clerk

BY: ____________
Deputy

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE

BY: ____________ 5.6.13
Raj Singh Badhesha, Deputy
EXHIBIT A

RESOLUTION NO. 2013-42

A RESOLUTION OF THE COUNCIL OF THE CITY OF FRESNO, CALIFORNIA, OF THE INTENTION TO ANNEX FINAL PARCEL MAP NO. 2008-13 AS ANNEXATION NO. 3 TO THE CITY OF FRESNO COMMUNITY FACILITIES DISTRICT NO. 9 AND TO AUTHORIZE THE LEVY OF SPECIAL TAXES

WHEREAS, the City of Fresno ("City") is a charter city and municipal corporation duly created and existing under the Constitution and laws of the State of California; and

WHEREAS, under the City of Fresno Special Tax Financing Law, Chapter 8, Division 1, Article 3, of the Fresno Municipal Code ("City Law"), the Council of the City of Fresno ("Council"), as the legislative body for the community facilities district and any annexation thereto, has the authority to establish a community facilities district and annex property to the community facilities district; and

WHEREAS, on December 16, 2008 the Council adopted Resolution No. 2008-351 establishing the City of Fresno Community Facilities District No. 9 ("CFD No. 9"); and

WHEREAS, the original boundaries of CFD No. 9 are as shown on the Boundary Map of City of Fresno Community Facilities District No. 9, recorded December 4, 2008, at Book 42, Page 100 of Assessment and Community Facilities Districts in the Office of the Recorder, County of Fresno, California, a copy of which is on file in the Office of the City Clerk of the City of Fresno ("City Clerk"); and

WHEREAS, the territory encompassing the existing CFD No. 9 is shown on Exhibit A, attached and incorporated herein by reference; and

WHEREAS, the landowners of Final Parcel Map No. 2008-13 ("P2008-13") have formally petitioned the City to annex P2008-13 to CFD No. 9, and the area proposed for annexation to CFD No. 9 is shown on Exhibit B, attached and incorporated herein by reference; and

WHEREAS, the types of services and operations provided in the existing CFD No. 9 ("Services") are specified on page C-1 of attached Exhibit C, which is incorporated herein by reference; and
WHEREAS, the types of Services to be provided to Annexation No. 3 are specified on pages C-2 and C-3 of attached Exhibit B; and

WHEREAS, CFD No. 9 and Annexation No. 3 will share costs proportionately for Services provided by the City; and

WHEREAS, Annexation 3, FPM 2008-13 is located entirely within the limits of the City of Fresno; and

WHEREAS, Annexation No. 3, P2008-13, is Phase I of a larger area represented by Vesting Parcel Map No. 2008-13 ("VPM 2008-13"), and will share Services in common with all areas within P2008-13 and VPM 2008-13; and

WHEREAS, other areas within the P2008-13 and VPM 2008-13, concurrently with being developed, have been or may be annexed to CFD No. 9, and the taxable property within Annexation No. 3 and the taxable property within the other annexed developments within the P2008-13 and VPM 2008-13 will share the costs of Services provided by CFD No. 9.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Fresno as follows:

1. Recitals. The foregoing recitals are true and correct.

2. Proposed Annexation No. 3 Boundaries. The proposed boundaries of Annexation No. 3 are as shown on the map (copy attached as Exhibit B) on file in the Office of the City Clerk of the City of Fresno ("City Clerk"). The boundaries, shown in Annexation Map No. 3, for the territory proposed to be annexed, are preliminarily approved. The City Clerk is directed to record Annexation Map No. 3, or cause it to be recorded, in the Office of the Recorder, Fresno County, California within ten days after the adoption date of this resolution.

3. Services. The Services proposed to be financed in Annexation No. 3 are listed in Exhibit C, at pages C-2 and C-3, which is attached to and made part of this resolution.

4. Special Taxes. Except to the extent that funds are otherwise available to CFD No. 9 to pay for the Services in Annexation No. 3, a special tax sufficient to pay the costs ("Special
Tax") thereof, secured by recording a continuing lien against all nonexempt real property in Annexation No. 3, will be levied annually within Annexation No. 3, and collected in the same manner as ordinary ad valorem property taxes, or in any other manner as this Council or its designee shall determine, including direct billing of the effected property owners. The proposed Rate and Method of Apportionment of the Special Tax among the real property parcels within Annexation No. 3, in sufficient detail for each landowner within Annexation No. 3 to estimate the maximum amount each owner will have to pay, are described in Exhibit D, which is attached to and made part of this resolution.

5. **District Annexation Report.** The Director of Public Works Department, as the officer having charge and control of the services in and for CFD No. 9, or his designee, is directed to study the proposed Services and to make, or cause to be made, and filed with the City Clerk a report of the study for Annexation No. 3 in writing ("District Report") presenting the following:

   a. A description of the Services required to adequately meet the needs of CFD No. 9, Annexation No. 3.

   b. An estimate of the fair and reasonable cost of the Services including the cost of acquiring land, rights-of-way and easements, costs of any physical services required in conjunction therewith, and incidental expenses in connection therewith.

   c. Describe any plan for Services that will be provided in common with the existing district and/or any territory that may be annexed.

   d. If the Special Tax levied within the territory proposed to be annexed is higher or lower than the existing CFD No. 9, identify the extent and reasons why the costs to provide Services in that territory are higher or lower than those provided in the existing CFD No. 9. Specify any alteration in the Special Tax rate levied within the existing community facilities district because of the proposed annexation.

   e. The District Report shall be made a part of the record of the public hearing specified below.
6. **Single Ballot.** The propositions to set the appropriations limit and to approve the levy of the Special Tax shall be combined into a single ballot and submitted to the voters pursuant to City Law.

7. **Annexation Hearing.** Thursday, May 2, 2013 at 10:00 a.m., is fixed as the date and time, in the City Council Chambers, 2600 Fresno Street, Fresno, California, this Council, that this legislative body for CFD No. 9, will conduct a public hearing on the annexation of P2008-13 and will consider and finally determine whether the public interest, convenience and necessity require the annexation and the levy of the Special Tax.

8. **Public Notice.** The City Clerk is directed to cause notice of the public hearing to be given by publication once in a newspaper of general circulation published in the area of CFD No. 9. The publication shall be complete at least seven days before the hearing date set herein. The notice shall be in the form specified by Sections 53339.4 and 53322 of Chapter 2.5 of the California Government Code.

Attachments:

- Exhibit A: Existing CFD No. 9 Territories
- Exhibit B: Annexation Map No. 3
- Exhibit C: Description of Services
- Exhibit D: Rate and Method of Apportionment of Special Tax

* * * * * * * * * * * * *
STATE OF CALIFORNIA  )
COUNTY OF FRESNO    ) ss.
CITY OF FRESNO        )

I, YVONNE SPENCE, City Clerk of the City of Fresno, certify that the foregoing resolution was adopted by the Council of the City of Fresno, at a regular meeting held on the 

11th day of April, 2013.

AYES : Baines, Brand, Brandau, Caprioglio, Olivier, Quintero, Xiong
NOES : None
ABSENT : None
ABSTAIN : None

Mayor Approval: N/A, 2013
Mayor Approval/No Return: N/A, 2013
Mayor Veto: N/A, 2013
Council Override Vote: N/A, 2013

YVONNE SPENCE, CMC
City Clerk

BY: _Cindy Bruer_
Deputy

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE

BY: ___________________________ Date: ___________________________
    Raj Singh Badhesha, Deputy
CITY OF FRESNO
MAINTENANCE
CFD9 ANNEXATION

Exhibit A
EXHIBIT B

ATTEST:

YVONNE SPENCE, CMC
CITY CLERK OF THE CITY OF FRESNO

BY:

DEPUTY


ATTEST:

YVONNE SPENCE, CMC
CITY CLERK OF THE CITY OF FRESNO

BY:

DEPUTY

THIS ANNEXATION MAP NO. 3 OF THE CITY OF FRESNO COMMUNITY FACILITIES DISTRICT NO. 9, WAS FILED THIS___ DAY OF __________, 2013 AT THE HOUR OF __O'CLOCK ___ M AT BOOK 43, PAGE ___ OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF FRESNO, STATE OF CALIFORNIA

PAUL DICTOS, C.P.A.
COUNTY RECORDER OF THE COUNTY OF FRESNO

BY:

REFERENCE: BOUNDARY MAP OF CITY OF FRESNO COMMUNITY FACILITIES DISTRICT NO. 9, RECORDED DECEMBER 4, 2008 AT BOOK 43, PAGE 100 OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS IN THE OFFICE OF THE RECORDER IN THE COUNTY OF FRESNO, STATE OF CALIFORNIA.

NOTE: FOR PARCEL DIMENSIONS, SEE ASSESSOR'S MAP BOOK PAGES

CITY OF FRESNO - Public Works Department

ANNEXATION MAP NO. 3 OF COMMUNITY FACILITIES DISTRICT NO. 9 OF THE CITY OF FRESNO, FRESNO COUNTY, CALIFORNIA

CFD9 3 A1
EXHIBIT C

CITY OF FRESNO

Community Facilities District No. 9

Formation

Description of Services currently financed by Community Facilities District No. 9

The services and operations ("Services") that are to be financed by Community Facilities District No. 9 ("CFD No. 9") are described below and are permitted by City of Fresno Special Tax Financing Law (Chapter 8, Division 1, Article 3 of the Fresno Municipal Code) and the Mello-Roos Community Facilities Act of 1982 (Chapter 2.5 commencing with Section 53311, of Part 1, Division 2, Title 5 of the California Government Code.)

I. Services may include all costs attributable to maintaining, servicing, cleaning, repairing and/or replacing all landscaping facilities (including reserves), including stamped concrete paving in medians and landscaped areas in public street rights-of-way, public trails, and, in instances where a required sound wall abuts a local City street and public landscape easements are officially dedicated for public use.

General maintenance will include, without limitation, mowing, edging, fertilizing, seeding, aerating, and watering grass areas; repairing and replacing irrigation systems as necessary; staking, pruning, replacing and spraying of trees and shrubs; repairing and replacing paths, walkways and trails; repairing and replacing stamped concrete paving and removing litter, debris, and garbage.

II. Services may include all costs attributable to cleaning, maintaining, servicing, repairing and/or replacing all local ground level street infrastructures (including reserves) within local street rights-of-way. Such facilities may include, without limitation, street paving, curbs and gutters, sidewalks, street lighting, hydrants, inlets, street trees, street signage and street furniture.

Maintenance costs will also include a proportionate share of all other expenses that the City may incur in administering the CFD No. 9.

All Services shall be provided by the City of Fresno, with its own forces or by contract with third parties, or any combination thereof, to be determined entirely by the City of Fresno.

Nothing in this exhibit or any other exhibit or provision of this Resolution shall be construed as committing the City or CFD No. 9 to provide all of the authorized Services or to provide for the payment of or reimbursement for all of the authorized incidental expenses. The provision of Services and/or payment or reimbursement of incidental expenses shall be subject to the continued existence of CFD No. 9 and the availability of sufficient proceeds of special taxes within the District.
EXHIBIT C

CITY OF FRESNO

Community Facilities District No. 9
Annexation No. 3

Description of Services and Operations to be Financed by
Community Facilities District No. 9
For
Annexation No. 3 (Final Parcel Map No. 2008-13)

The services and operations described below ("Services") to be financed by Community Facilities District No. 9 ("CFD No. 9") for Final Parcel Map No. 2008-13 ("P2008-13"), Annexation No. 3 are generally as described below and herewith Exhibit C, page C-3.

The Services that are to be financed will include all costs attributable to maintaining, servicing, cleaning, repairing and/or replacing all landscaping facilities within the median islands (including reserves), including median stamped concrete edging and cap and trees, in West Herndon Avenue and North Riverside Drive as associated with Final Parcel Map No. 2008-13.

General maintenance will include, without limitation, repairing and replacing irrigation systems as necessary; fertilizing, staking, pruning, replacing and spraying of trees and shrubs; repairing and replacing stamped concrete edging and cap; and removing litter, debris, and garbage.

Services may include all costs attributable to cleaning, maintaining, servicing, repairing and/or replacing all local ground level street infrastructure (including reserves) within local street rights-of-way. Such facilities include, without limitation, street paving, curbs and gutters, valley gutter, curb ramp, sidewalks and street lighting in North Weber Avenue as associated with Final Parcel Map No. 2008-13.

Services shall include all costs attributable to street lighting services.

Services shall include all costs attributable to two traffic signal services located at the private entrances on North Riverside Drive.

Services shall include all costs attributable to storm drain facilities located in North Weber Avenue.

Maintenance costs will also include a proportionate share of all other expenses that the City may incur in administering the CFD No. 9.

All Services shall be provided by the City of Fresno, with its own forces or by contract with third parties, or any combination thereof, to be determined entirely by the City of Fresno.

Nothing in this exhibit or any other exhibit or provision of this Resolution shall be construed as committing the City or CFD No. 9 to provide all of the authorized Services or to provide for the payment of or reimbursement for all of the authorized incidental expenses. The provision of Services and/or payment or reimbursement of incidental expenses shall be subject to the successful annexation of Annexation 3 to CFD No. 9 and the availability of sufficient proceeds of Special Taxes within CFD No. 9.

C-2
FEATURES TO BE ADDED BY FINAL PARCEL MAP NO. 2008-13,
ANNEXATION NO. 3 COMMUNITY FACILITIES DISTRICT NO. 9

LANDSCAPE AND IRRIGATION:
MEDIAN (ALL) = 22,764 SF
*HERNDON AND RIVERSIDE

LARGE TREES = 16 EA

SMALL TREES = 4 EA

STAMPED CONCRETE:
1/2 MEDIAN CAP = 2,409 SF
1/2 MEDIAN EDGE = 1,353 SF

LOCAL INDUSTRIAL PAVEMENT:
TOTAL AREA = 26,956 SF

CONCRETE IMPROVEMENTS:
CURB & GUTTER = 1,335 LF
VALLEY GUTTER = 801 LF
SIDEWALKS = 6,848 SF
CURB RAMP = 317 LF

WEBER STORM DRAIN FACILITIES:
30" RCP PIPE = 621 LF
FMFCD TYPE A CASE I MANHOLE = 6 EA
INLET = 2 EA
12" LATERAL PIPE = 30 LF
Cost Estimate
The estimate breaks down the costs of providing 1 year's Service for FY 2012-2013

<table>
<thead>
<tr>
<th>ITEM</th>
<th>DESCRIPTION</th>
<th>ESTIMATED COST</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Landscape Operational Costs</td>
<td>$14,341.32</td>
</tr>
<tr>
<td>2</td>
<td>Other Operational Costs</td>
<td>$5,216.27</td>
</tr>
<tr>
<td>3</td>
<td>Reserve for Replacement</td>
<td>$16,309.23</td>
</tr>
<tr>
<td>4</td>
<td>Incidental Expenses</td>
<td>$225.00</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>$36,091.83</td>
</tr>
</tbody>
</table>

Subdivision Appropriation Limit

<table>
<thead>
<tr>
<th>FINAL PARCEL MAP NO.</th>
<th>MAX. SPECIAL TAX PER SQUARE FOOT (SF)</th>
<th>TOTAL TAXABLE SF</th>
<th>APPROPRIATION LIMIT</th>
<th>SUBDIVIDER</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008-13</td>
<td>$0.01861501</td>
<td>1,938,856</td>
<td>$500,000.00</td>
<td>Rich Development Company, LLC</td>
</tr>
</tbody>
</table>
EXHIBIT D

City of Fresno

Community Facilities District No. 9
Annexation No. 3

Rate and Method of Apportionment of Special Tax

A special tax applicable to each assessor's parcel in Community Facilities District No. 9 ("CFD No. 9") shall be levied and collected according to the tax liability determined by the City Council of the City of Fresno, through the application of the appropriate amount or rate for taxable property, as described below. All of the property in CFD No. 9, unless exempted by law or by the provisions of Section E below, shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to CFD No. 9 unless a separate Rate and Method of Apportionment of Special Tax is adopted for the annexation area.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

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

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

"City" means the City of Fresno.

"City Law" means the City of Fresno Special Tax Financing Law, Chapter 8, Division 1, Article 3, of the Fresno Municipal Code.

"Commercial/Industrial Subdivisions" means subdivisions zoned for commercial or industrial uses.

"Council" means the City Council of the City of Fresno, acting as the legislative body of CFD No. 9.

"Developable Lot" means a lot that is anticipated development of residential or non-residential uses, and which is not an outlot, remainder parcel or other parcel which is not intended to be developed or which must be further subdivided before being developed.

"Excluded Parcels" means those assessor's parcels identified as ineligible for inclusion in CFD No. 9 as shown in "Attachment 1" of this Rate and Method of Apportionment of Special Tax.

"Final Map" means a final map, or portion thereof, approved by the Council pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) that creates individual developable lots for which building permits may be issued. The term "Final Map" shall not include any assessor's parcel map or subdivision map or portion thereof, that does not create individual developable lots for which a building permit may be issued, including assessor's parcels that are designated as remainder parcels.
"Fiscal Year" means the period starting April 1 and ending on the following March 31.

"Maximum Special Tax" means the maximum special tax, determined in accordance with Section C, which can be levied in any Fiscal Year.

"Public Property" means any property within the boundaries of CFD No. 9 that is owned by the federal government, State of California or other local governments or public agencies.

"Reserve for Replacement" means a reasonable reserve pursuant to Fresno Municipal Code 8-1-303(e) (4), as a Service cost or expense and not as payment for public facilities under Government Code Section 53321(d).

"Shared Services" means the costs of services are paid equally by the property owners of two or more subdivisions.

"Special Tax" means any special tax to be levied each fiscal year on assessor's parcels of taxable property to fund the Special Tax Requirement as defined below.

"Special Tax Requirement" means the amount necessary in any fiscal year to (i) pay authorized maintenance and improvement expenses, (ii) pay administrative expenses of CFD No. 9, and (iii) cure any delinquencies in the payment of special taxes levied in prior fiscal years or (based on delinquencies in the payment of special taxes which have already taken place) are expected to occur in the fiscal year in which the tax will be collected.

"Subdivision" means the division, by any subdivider, of any unit or units of improved or unimproved land, or any portion thereof, shown on the latest equalized county assessment roll as a unit or as contiguous units, for the purpose of sale, lease, or financing whether immediate or future. Property shall be considered as contiguous units, even if it is separated by roads, streets, utility easement or railroad rights-of-way. "Subdivision" includes a condominium project, as defined in Section 1351 of the Civil Code, a community apartment project, as defined in Section 1351 of the Civil Code.

"Taxable Property" means all of the assessor's parcels within the boundaries of CFD No. 9 which are not exempt from the special tax pursuant to law or Section E below.

B. CALCULATIONS

COMMERCIAL/INDUSTRIAL SUBDIVISIONS

On April 1 of each fiscal year, the City of Fresno ("City") or its designee shall determine how many square feet of taxable area are on assessor's parcels within each commercial or industrial subdivision of CFD No. 9.

For commercial and industrial subdivisions, the area to be taxed is the total area within the subdivision not designated as public right-of-way and is not to exceed the Maximum Special Tax per square foot identified for the subdivision in Section C, Table 1 below.
C. MAXIMUM SPECIAL TAX

The Maximum Special Tax ("MST") applicable to each assessor's parcel in CFD No. 9 shall be specific to each subdivision/portion thereof within CFD No. 9. When additional property is annexed into CFD No. 9, the rate and method adopted for the annexed property shall reflect the MST for the subdivision or subdivisions or respective portion thereof then annexed.

The MST applicable to each assessor's parcel in CFD No. 9 shall be the rate that is created at the time of CFD No. 9 annexation expressly for the individual subdivisions/ports thereof being annexed to CFD No. 9 at that time. Beginning in January of each year, the MST shall be adjusted upward annually by 3% plus the rise, if any, in the Construction Cost Index (CCI) for the San Francisco Region for the prior 12-month period (December through December) as published in the Engineering News Record or published in a comparable index if the Engineering News Record is discontinued or otherwise not available. Each annual adjustment of the MST shall become effective on the subsequent July 1.

Subject to the maximum limit set by the MST, the Special Tax for commercial and industrial subdivision parcels is calculated by spreading the Special Tax Requirement to the total taxable square footage of the subdivision, apportioned back to the individual parcels.

The Maximum Special Tax for Fiscal Year 2012-2013 per square foot within Final Parcel Map No. 2008-13 is identified in Table 1 below:

<table>
<thead>
<tr>
<th>Table 1</th>
<th>Maximum Special Tax (Fiscal Year 2012-2013)*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Commercial Final Parcel Map Number</strong></td>
<td><strong>Maximum Special Tax</strong></td>
</tr>
<tr>
<td>2008-13</td>
<td>$0.01861501 per Square Foot</td>
</tr>
</tbody>
</table>

** A Special Tax shall be levied on all parcels within an identified subdivision except excluded parcels as identified in Attachment 1.

The estimated Special Taxes for the parcels within Final Parcel Map No. 2008-13 for Fiscal Year 2012-2013 are:

<table>
<thead>
<tr>
<th>Tract XXXX</th>
<th>SQ FT**</th>
<th>MAXIMUM TAX PER SQ FT</th>
<th>ASSIGNED TAX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lot 1</td>
<td>125,452.8</td>
<td>$0.01861501</td>
<td>$2,335.31</td>
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<tr>
<td>Lot 2</td>
<td>42,253.2</td>
<td>$0.01861501</td>
<td>$786.54</td>
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<tr>
<td>Lot 3</td>
<td>81,021.6</td>
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<td>$1,508.22</td>
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<td>Lot 4</td>
<td>71,874.0</td>
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<td>$1,337.94</td>
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<tr>
<td>Lot 5</td>
<td>71,874.0</td>
<td>$0.01861501</td>
<td>$1,337.94</td>
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<td>Lot 6</td>
<td>31,363.2</td>
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<td>$583.83</td>
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<tr>
<td>Lot 7</td>
<td>485,694.0</td>
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<td>Lot 8</td>
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<td>$0.01861501</td>
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<td>Lot 9</td>
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<td>Lot 11</td>
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<td>$6,641.02</td>
</tr>
</tbody>
</table>

D-4
EXHIBIT D

| Lot 12  | 103,672.8 | $0.01861501 | $1,929.87 |
| Lot 13  | 125,452.8 | $0.01861501 | $2,335.31 |
| Lot 14  | 225,205.2 | $0.01861501 | $4,192.20 |
| Lot 15  | 76,230.0  | $0.01861501 | $1,405.13 |
| **Total=**  | **1,938,856** | **Annual Tax =** | **$36,091.83** |

**Lot Areas supplied by Applicant’s Engineer**

D. METHOD OF LEVY AND COLLECTION OF THE SPECIAL TAX

Commencing with Fiscal Year 2012-2013, the Special Tax shall be levied on all Parcels of taxable property as follows:

1. **Step 1:** Determine the Special Tax Requirement (as defined in Section A above) for the fiscal year in which the special tax will be collected;

2. **Step 2:** Calculate the total special tax revenues that could be collected from taxable property within CFD No. 9 based on applying the Maximum Special Tax rates determined pursuant to Section C above to each parcel of taxable property in CFD No. 9;

   If the amount determined in Step 1 is greater than or equal to the amount calculated in Step 2, levy the Maximum Special Tax set forth in Table 1 above on all parcels of taxable property in CFD No. 9;

   If the amount determined in Step 1 is less than the amount calculated in Step 2, levy the Special Tax proportionately against all parcels of taxable property up to 100% of the Maximum Special Tax for each subdivision as identified in Table 1, until the amount of the Special Tax levy equals the Special Tax Requirement for that fiscal year.

The Special Tax for CFD No. 9 shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that CFD No. 9 may (under the authority of Government Code 53340), in any particular case, bill the taxes directly to the property owner off of the County of Fresno tax roll, and the Special Taxes will be equally subject to penalties and foreclosure if delinquent.

E. EXEMPTIONS

Notwithstanding any other provision of this Rate and Method of Apportionment of Special Tax, no Special Tax shall be levied on parcels that have been conveyed to a public agency, except as otherwise provided in City Law. In addition, no Special Tax shall be levied on excluded parcels or parcels that are determined not to be developable lots.
EXHIBIT D

ATTACHMENT “1”

City of Fresno
Community Facilities District No. 9
Annexation 3
Excluded Parcels

THERE ARE NO EXCLUDED PARCELS IN FINAL PARCEL MAP NO. 2008-13
EXHIBIT B

MODIFIED
DISTRICT REPORT

City of Fresno
Community Facilities District No. 9
Annexation No. 3
Final Parcel Map No. 2008-13
CITY OF FRESNO
Community Facilities District No. 9
Annexation No. 3

COMMUNITY FACILITIES DISTRICT REPORT

CONTENTS

INTRODUCTION

A. Description of Services and Facilities.
B. Proposed Annexation Map No. 3 Boundaries.
C. Modified Cost Estimate and Analysis Modification
D. Description of Facilities.
E. Shared Services and Facilities.

* * * * * * * * * * * *

EXHIBIT A – Description of the Proposed Services
EXHIBIT B – Modified Rate and Method of Apportionment of Special Taxes
EXHIBIT C – Proposed Facilities to be Added by Annexation No. 3

Goals and Policies for Community Facilities District No. 9
INTRODUCTION

The City Council of the City of Fresno ("City") did, pursuant to the provisions of the City of Fresno Special Tax Financing Law, Chapter 8, Division 1, Article 3, of the Fresno Municipal Code ("City Law"), on April 11, 2013, adopt Council Resolution No. 2013-42 entitled "Resolution of Intention to Annex Final Parcel Map No. 2008-13 as Annexation No. 3 to the City of Fresno Community Facilities District No. 9 and to Authorize a the Levy of Special Taxes Therein and Preliminarily Establishing an Appropriations Limit Thereon ("Resolution of Intention"). In the Resolution of Intention, the City expressly ordered the preparation of a written Community Facilities District Report ("District Report"), for the proposed Annexation No. 3 to the City of Fresno Community Facilities District No. 9 ("CFD No. 9").

The Resolution of Intention ordering the District Report directed that it generally contain the following:

1. A description of the Services which will be required to adequately meet the needs of CFD No. 9; and
2. An estimate of the fair and reasonable cost of the services including therewith; and
3. If the Special Tax levied within the territory proposed to be annexed is higher or lower than the existing CFD No. 9, identify the extent and reasons why the costs to provide Services in that territory are higher or lower than those provided in the existing CFD No. 9.

For particulars, reference is made to the Resolution of Intention 2013-42 for CFD No. 9, as previously approved and adopted by the City.

The City did, pursuant to the City Law, on May 2, 2013, adopt Resolution No. 2013__ ordering preparation of a Modified District Report to analyze the cost of modifying the Services to be financed by Annexation No. 3 of CFD No. 9.

NOW, THEREFORE, I, the Public Works Director of the City of Fresno, do hereby submit the following data:

1. Description of Services and Facilities. A general description and map of the proposed services and facilities are as shown in Exhibit A attached hereto and hereby made a part hereof.
2. Proposed Annexation Map No. 3 Boundaries. The proposed boundaries, shown on Annexation Map No. 3, are those properties and parcels in which special taxes may be levied to pay for the costs and expenses of the services and facilities. The proposed boundaries are described on Annexation Map No. 3, on file with the City Clerk of the City of Fresno, to which reference is hereby made.
3. Modified Rate and Method of Apportionment of Special Taxes (RMA). The RMA for the services and facilities for Annexation Map No. 3 is set forth in Exhibit B attached hereto and hereby made a part hereof.
4. Shared Services and Facilities. CFD No. 9, Annexation No. 3, Final Parcel Map No. 2008-13 (PM 2008-13) is the Phase of a larger area represented by Vesting Tentative Parcel Map No. 2008-13 (VTPM 2008-13) and will share Services in common with all areas within PM 2008-13 and VTPM 2008-13.

Dated as of 4-12-2013
By: Scott L. Mozier, P.E., City Engineer, Assistant Director
Public Works Department
EXHIBIT A

CITY OF FRESNO

Community Facilities District No. 9
Formation

Description of Services currently financed by Community Facilities District No. 9

The services and operations ("Services") that are to be financed by Community Facilities District No. 9 ("CFD No. 9") are described below and are permitted by City of Fresno Special Tax Financing Law (Chapter 8, Division 1, Article 3 of the Fresno Municipal Code) and the Mello-Roos Community Facilities Act of 1982 (Chapter 2.5 commencing with Section 53311, of Part 1, Division 2, Title 5 of the California Government Code.)

I. Services may include all costs attributable to maintaining, servicing, cleaning, repairing and/or replacing all landscaping facilities (including reserves), including stamped concrete paving in medians and landscaped areas in public street rights-of-way, public trails, and, in instances where a required sound wall abuts a local City street and public landscape easements are officially dedicated for public use.

General maintenance will include, without limitation, mowing, edging, fertilizing, seeding, aerating, and watering grass areas; repairing and replacing irrigation systems as necessary; staking, pruning, replacing and spraying of trees and shrubs; repairing and replacing paths, walkways and trails; repairing and replacing stamped concrete paving and removing litter, debris, and garbage.

II. Services may include all costs attributable to cleaning, maintaining, servicing, repairing and/or replacing all local ground level street infrastructures (including reserves) within local street rights-of-way. Such facilities may include, without limitation, street paving, curbs and gutters, sidewalks, street lighting, hydrants, inlets, street trees, street signage and street furniture.

Maintenance costs will also include a proportionate share of all other expenses that the City may incur in administering the CFD No. 9.

All Services shall be provided by the City of Fresno, with its own forces or by contract with third parties, or any combination thereof, to be determined entirely by the City of Fresno.

Nothing in this exhibit or any other exhibit or provision of this Resolution shall be construed as committing the City or CFD No. 9 to provide all of the authorized Services or to provide for the payment of or reimbursement for all of the authorized incidental expenses. The provision of Services and/or payment or reimbursement of incidental expenses shall be subject to the continued existence of CFD No. 9 and the availability of sufficient proceeds of special taxes within the District.
The services and operations described below ("Services") to be financed by Community Facilities District No. 9 ("CFD No. 9") for Final Parcel Map No. 2008-13 ("P2008-13"), Annexation No. 3 are generally as described below and herewith Exhibit C, page C-2.

The Services that are to be financed will include all costs attributable to maintaining, servicing, cleaning, repairing and/or replacing all landscaping facilities within the median islands (including reserves), including median stamped concrete edging and cap and trees, in West Herndon Avenue and North Riverside Drive as associated with Final Parcel Map No. 2008-13.

General maintenance will include, without limitation, repairing and replacing irrigation systems as necessary; fertilizing, staking, pruning, replacing and spraying of trees and shrubs; repairing and replacing stamped concrete edging and cap; and removing litter, debris, and garbage.

Services may include all costs attributable to cleaning, maintaining, servicing, repairing and/or replacing all local ground level street infrastructure (including reserves) within local street rights-of-way. Such facilities include, without limitation, street paving, curbs and gutters, valley gutter, curb ramp, sidewalks and street lighting in North Weber Avenue and Weber Access Road as associated with Final Parcel Map No. 2008-13.

Services shall include all costs attributable to street lighting services.

Services shall include all costs attributable to two traffic signal services located at the private entrances on North Riverside Drive.

Services shall include all costs attributable to storm drain facilities located in Weber Access Road.

Maintenance costs will also include a proportionate share of all other expenses that the City may incur in administering the CFD No. 9.

All Services shall be provided by the City of Fresno, with its own forces or by contract with third parties, or any combination thereof, to be determined entirely by the City of Fresno.

Nothing in this exhibit or any other exhibit or provision of this Resolution shall be construed as committing the City or CFD No. 9 to provide all of the authorized Services or to provide for the payment of or reimbursement for all of the authorized incidental expenses. The provision of Services and/or payment or reimbursement of incidental expenses shall be subject to the successful annexation of Annexation 3 to CFD No. 9 and the availability of sufficient proceeds of Special Taxes within CFD No. 9.
CITY OF FRESNO
Community Facilities District No. 9
Annexation No. 3
Rate and Method of Apportionment of Special Tax

Cost Estimate
The estimate breaks down the costs of providing 1 year’s Service for FY 2012-2013

<table>
<thead>
<tr>
<th>ITEM</th>
<th>DESCRIPTION</th>
<th>ESTIMATED COST</th>
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</thead>
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<tr>
<td>1</td>
<td>Landscape Operational Costs</td>
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<td>2</td>
<td>Other Operational Costs</td>
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<td>3</td>
<td>Reserve for Replacement</td>
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<td>4</td>
<td>Incidental Expenses</td>
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<td></td>
<td><strong>Total</strong></td>
<td><strong>$39,402.72</strong></td>
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Subdivision Appropriation Limit

<table>
<thead>
<tr>
<th>FINAL PARCEL MAP NO.</th>
<th>MAX. SPECIAL TAX PER SQUARE FOOT (SF)</th>
<th>TOTAL TAXABLE SF</th>
<th>APPROPRIATION LIMIT</th>
<th>SUBDIVIDER</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008-13</td>
<td>$0.02032266</td>
<td>1,938,856</td>
<td>$500,000.00</td>
<td>Rich Development Company, LLC</td>
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</tbody>
</table>

B-1
EXHIBIT B

City of Fresno

Community Facilities District No. 9
Annexation No. 3

Rate and Method of Apportionment of Special Tax

A special tax applicable to each assessor’s parcel in Community Facilities District No. 9 (“CFD No. 9”) shall be levied and collected according to the tax liability determined by the City Council of the City of Fresno, through the application of the appropriate amount or rate for taxable property, as described below. All of the property in CFD No. 9, unless exempted by law or by the provisions of Section E below, shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to CFD No. 9 unless a separate Rate and Method of Apportionment of Special Tax is adopted for the annexation area.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

“Assessor’s Parcel” or “Parcel” means a lot or parcel shown on an assessor’s parcel map with an assigned assessor’s parcel number.

“Assessor’s Parcel Map” means an official map of the County Assessor of the County of Fresno designating parcels by assessor’s parcel number.

“City” means the City of Fresno.

“City Law” means the City of Fresno Special Tax Financing Law, Chapter 8, Division 1, Article 3, of the Fresno Municipal Code.

“Commercial/Industrial Subdivisions” means subdivisions zoned for commercial or industrial uses.

“Council” means the City Council of the City of Fresno, acting as the legislative body of CFD No. 9.

“Developable Lot” means a lot that is anticipated development of residential or non-residential uses, and which is not an outlot, remainder parcel or other parcel which is not intended to be developed or which must be further subdivided before being developed.

“Excluded Parcels” means those assessor’s parcels identified as ineligible for inclusion in CFD No. 9 as shown in “Attachment 1” of this Rate and Method of Apportionment of Special Tax.

“Final Map” means a final map, or portion thereof, approved by the Council pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.) that creates individual developable lots for which building permits may be issued. The term “Final Map” shall not include any assessor’s parcel map or subdivision map or portion thereof, that does not create individual developable lots for which a building permit may be issued, including assessor’s parcels that are designated as remainder parcels.
EXHIBIT B

"Fiscal Year" means the period starting April 1 and ending on the following March 31.

"Maximum Special Tax" means the maximum special tax, determined in accordance with Section C, which can be levied in any Fiscal Year.

"Public Property" means any property within the boundaries of CFD No. 9 that is owned by the federal government, State of California or other local governments or public agencies.

"Reserve for Replacement" means a reasonable reserve pursuant to Fresno Municipal Code 8-1-303(e) (4), as a Service cost or expense and not as payment for public facilities under Government Code Section 53321(d).

"Shared Services" means the costs of services are paid equally by the property owners of two or more subdivisions.

"Special Tax" means any special tax to be levied each fiscal year on assessor's parcels of taxable property to fund the Special Tax Requirement as defined below.

"Special Tax Requirement" means the amount necessary in any fiscal year to (i) pay authorized maintenance and improvement expenses, (ii) pay administrative expenses of CFD No. 9, and (iii) cure any delinquencies in the payment of special taxes levied in prior fiscal years or (based on delinquencies in the payment of special taxes which have already taken place) are expected to occur in the fiscal year in which the tax will be collected.

"Subdivision" means the division, by any subdivider, of any unit or units of improved or unimproved land, or any portion thereof, shown on the latest equalized county assessment roll as a unit or as contiguous units, for the purpose of sale, lease, or financing whether immediate or future. Property shall be considered as contiguous units, even if it is separated by roads, streets, utility easement or railroad rights-of-way. "Subdivision" includes a condominium project, as defined in Section 1351 of the Civil Code, a community apartment project, as defined in Section 1351 of the Civil Code.

"Taxable Property" means all of the assessor's parcels within the boundaries of CFD No. 9 which are not exempt from the special tax pursuant to law or Section E below.

B. CALCULATIONS

COMMERCIAL/INDUSTRIAL SUBDIVISIONS

On April 1 of each fiscal year, the City of Fresno ("City") or its designee shall determine how many square feet of taxable area are on assessor's parcels within each commercial or industrial subdivision of CFD No. 9.

For commercial and industrial subdivisions, the area to be taxed is the total area within the subdivision not designated as public right-of-way and is not to exceed the Maximum Special Tax per square foot identified for the subdivision in Section C, Table 1 below.
C. MAXIMUM SPECIAL TAX

The Maximum Special Tax ("MST") applicable to each assessor's parcel in CFD No. 9 shall be specific to each subdivision/portion thereof within CFD No. 9. When additional property is annexed into CFD No. 9, the rate and method adopted for the annexed property shall reflect the MST for the subdivision or subdivisions or respective portion thereof then annexed.

The MST applicable to each assessor's parcel in CFD No. 9 shall be the rate that is created at the time of CFD No. 9 annexation expressly for the individual subdivisions/ports thereof being annexed to CFD No. 9 at that time. Beginning in January of each year, the MST shall be adjusted upward annually by 3% plus the rise, if any, in the Construction Cost Index (CCI) for the San Francisco Region for the prior 12-month period (December through December) as published in the Engineering News Record, or published in a comparable index if the Engineering News Record is discontinued or otherwise not available. Each annual adjustment of the MST shall become effective on the subsequent July 1.

Subject to the maximum limit set by the MST, the Special Tax for commercial and industrial subdivision parcels is calculated by spreading the Special Tax Requirement to the total taxable square footage of the subdivision, apportioned back to the individual parcels.

The Maximum Special Tax for Fiscal Year 2012-2013 per square foot within Final Parcel Map No. 2008-13 is identified in Table 1 below:

<table>
<thead>
<tr>
<th>Tract XXXX</th>
<th>SQ FT**</th>
<th>MAXIMUM TAX PER SQ FT</th>
<th>ASSIGNED TAX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lot 1</td>
<td>125,452.8</td>
<td>$0.02032266</td>
<td>$2,549.53</td>
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<tr>
<td>Lot 2</td>
<td>42,253.2</td>
<td>$0.02032266</td>
<td>$858.70</td>
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<tr>
<td>Lot 3</td>
<td>81,021.6</td>
<td>$0.02032266</td>
<td>$1,646.57</td>
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<td>Lot 4</td>
<td>71,874.0</td>
<td>$0.02032266</td>
<td>$1,460.67</td>
</tr>
<tr>
<td>Lot 5</td>
<td>71,874.0</td>
<td>$0.02032266</td>
<td>$1,460.67</td>
</tr>
<tr>
<td>Lot 6</td>
<td>31,363.2</td>
<td>$0.02032266</td>
<td>$637.38</td>
</tr>
<tr>
<td>Lot 7</td>
<td>485,694.0</td>
<td>$0.02032266</td>
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</tr>
<tr>
<td>Lot 8</td>
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<td>$0.02032266</td>
<td>$982.63</td>
</tr>
<tr>
<td>Lot 9</td>
<td>48,351.6</td>
<td>$0.02032266</td>
<td>$982.63</td>
</tr>
<tr>
<td>Lot 10</td>
<td>45,302.4</td>
<td>$0.02032266</td>
<td>$920.67</td>
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<tr>
<td>Lot 11</td>
<td>356,756.4</td>
<td>$0.02032266</td>
<td>$7,250.24</td>
</tr>
</tbody>
</table>

** A Special Tax shall be levied on all parcels within an identified subdivision except excluded parcels as identified in Attachment 1.
EXHIBIT B

<table>
<thead>
<tr>
<th>Lot</th>
<th>Area (sq ft)</th>
<th>Rate ($/sq ft)</th>
<th>Amount ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>12</td>
<td>103,672.8</td>
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<td>$2,106.91</td>
</tr>
<tr>
<td>13</td>
<td>125,452.8</td>
<td>$0.02032266</td>
<td>$2,549.53</td>
</tr>
<tr>
<td>14</td>
<td>225,205.2</td>
<td>$0.02032266</td>
<td>$4,576.77</td>
</tr>
<tr>
<td>15</td>
<td>76,230.0</td>
<td>$0.02032266</td>
<td>$1,549.20</td>
</tr>
<tr>
<td>Total</td>
<td>1,938,856</td>
<td></td>
<td>$39,402.72</td>
</tr>
</tbody>
</table>

**Lot Areas supplied by Applicant's Engineer**

D. METHOD OF LEVY AND COLLECTION OF THE SPECIAL TAX

Commencing with Fiscal Year 2012-2013, the Special Tax shall be levied on all Parcels of taxable property as follows:

Step 1: Determine the Special Tax Requirement (as defined in Section A above) for the fiscal year in which the special tax will be collected;

Step 2: Calculate the total special tax revenues that could be collected from taxable property within CFD No. 9 based on applying the Maximum Special Tax rates determined pursuant to Section C above to each parcel of taxable property in CFD No. 9;

If the amount determined in Step 1 is greater than or equal to the amount calculated in Step 2, levy the Maximum Special Tax set forth in Table 1 above on all parcels of taxable property in CFD No. 9;

If the amount determined in Step 1 is less than the amount calculated in Step 2, levy the Special Tax proportionately against all parcels of taxable property up to 100% of the Maximum Special Tax for each subdivision as identified in Table 1, until the amount of the Special Tax levy equals the Special Tax Requirement for that fiscal year.

The Special Tax for CFD No. 9 shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that CFD No. 9 may (under the authority of Government Code 53340), in any particular case, bill the taxes directly to the property owner off of the County of Fresno tax roll, and the Special Taxes will be equally subject to penalties and foreclosure if delinquent.

E. EXEMPTIONS

Notwithstanding any other provision of this Rate and Method of Apportionment of Special Tax, no Special Tax shall be levied on parcels that have been conveyed to a public agency, except as otherwise provided in City Law. In addition, no Special Tax shall be levied on excluded parcels or parcels that are determined not to be developable lots.
EXHIBIT B

ATTACHMENT "1"

City of Fresno

Community Facilities District No. 9
Annexation 3

Excluded Parcels

THERE ARE NO EXCLUDED PARCELS IN
FINAL PARCEL MAP NO. 2008-13
I. PURPOSE

The purpose of these goals and policies (the "Policies") is to provide guidance and conditions for the initiation, formation of, and annexation into Community Facilities District 9 (CFD 9) under the City of Fresno Financing Law, Chapter 8, Division 1, Article 3, of the Fresno Municipal Code ("City Law").

The Policies are intended to be supplementary to, comply with, and shall be controlled by City Law, the Mello Roos Act as incorporated into the City Law, and the CFD 9 formation/annexation documents and instruments.

II. DEFINITIONS

Where used in these Policies, the following capitalized terms have the following meanings:

Applicant shall mean, in the singular or plural, any person(s), firm(s) or corporation(s) that files a petition for the formation of or annexation into CFD 9.

CIMF shall mean commercial, industrial and multiple family subdivisions in the City of Fresno.

City shall mean the City of Fresno, California.

City Law shall mean the City of Fresno Special Tax Financing Law, Chapter 8, Division 1, Article 3 of the Fresno Municipal Code.

Commercial shall mean any parcel of land zoned for commercial uses.

District shall mean CFD 9.

Industrial shall mean any parcel of land zoned for industrial uses.

Maintenance or Service District shall mean a non-bonded community facilities district in which the City performs maintenance services for landowners within the City of Fresno.

Mello-Roos Act shall mean the Mello-Roos Community Facilities Act of 1982 (Chapter 2.5 of Division 2, Part 1, of Title 5 of the California Government Code, " 53311 et seq.").
**Multi-Family** shall mean any parcel of land zoned for residential use with a density higher than single family residence.

**Reserve for Replacement** shall mean a reasonable reserve pursuant to Fresno Municipal Code 8-1-303 (e) (4), as a maintenance service cost or expense and not as payment for public facilities under Government Code Section 53321(d).

**Subdivision** shall mean any new or existing legal division of land and shall also include any development or project created by a document that permits construction of a commercial, industrial or multi-family project including but not limited to, Final Tract Maps, Final Parcel Maps, Conditional Use Permits and Site Plans.

### III. ELIGIBLE FEATURES AND SERVICES

CFD 9 is to provide services for public improvements/areas that may benefit not only a particular subdivision, but also the City and the public at large, that serve a public purpose, and that are constructed or installed on public property or dedicated rights-of-way or easements.

CFD 9 is to provide maintenance to certain regulatorily required public improvements located within and adjacent to public streets on the perimeter CIMF subdivisions. CFD 9 is not to provide maintenance services for features located outside of City street easements with the following exceptions:

- Required public trail easements
- Landscaping easements located between required sound walls and adjacent City streets

The improvements eligible for CFD 9 maintenance services include:

- Landscaping and irrigation systems
- Street trees
- Median island hardscaping
- Local City street sidewalks, curbs and gutters, curbs, valley gutters, street paving and street lights.
- Official City trails designated by the City General Plan
- Trail amenities consisting of benches, drinking fountains, trash receptacles and City required fencing and low voltage lighting.

CFD 9 shall not provide maintenance for internal features located in easements, outlots, open spaces, parks and “private” trails except as provided above.

CFD 9 shall not provide maintenance for driveway approaches.

CFD 9 shall not construct new improvements or purchase existing improvements.
IV. PRIORITY OF SERVICES

Health and safety services including, but not limited to, maintenance of streets, street lights and right-of-way, take precedence over landscaping and hardscaping.

V. DISCLOSURE TO PROPERTY OWNERS AND PURCHASERS

Prior to CFD 9 proceedings for formation or annexation, the applicant or property owners shall demonstrate to the City’s satisfaction that there will be full disclosure of any special tax levied pursuant to City Law and the Mello-Roos Act and these Policies to ensure that existing and future property owners are fully informed of their obligations under CFD 9. Disclosure must be made to both existing property owners and prospective property purchasers, including interim purchasers, developers and prospective tenants. At a minimum, the applicant must ensure that all disclosures mandated by applicable City and State law will be made. For residential property, such disclosure shall include written notification signed by the prospective home buyer prior to a home purchase, as well as any other methods required by the City to ensure notification to subsequent home buyers.

VI. PROPERTY OWNER OR VOTER SUPPORT

The applicant shall submit, as attachments to the application, petitions in the form required by City Law requesting institution of proceedings for the establishment of, or annexation into CFD 9, signed by not less than 10 percent of the registered voters residing within the boundaries of the proposed district or by the owners of not less than 10 percent of the area of land to be included within the proposed district. Petition forms will be provided by the City.

VII. TAX ALLOCATION FORMULA; AMOUNT OF SPECIAL TAX

Prior to CFD 9 formation or annexation, the City shall determine that the special tax rate, allocation, and method of collection for each category of taxable property and that the required and maximum amount of the special tax is fair, reasonable and equitable. The normal determination for residential Subdivisions is an equal benefit per residential unit. The normal determination for commercial and industrial subdivision is a proportionate benefit based on the square footage of each taxable parcel in relation to the total taxable area exclusive of public right of way.

The criteria for making this determination for non-residential portions of subdivisions may include, without limitation, the demand for the public improvements by different categories of property; the existing and proposed uses of different categories of property; and the overall economic benefit to the property and the City as a whole that will result from the public improvements.

The amount of the special tax levied may never surpass the lesser of the maximum special tax or the annual costs of maintenance services to be provided.
The reserve of replacement requirement generally shall be computed either as a percentage of the annual maintenance cost, or as the replacement cost amortized over estimated life, as appropriate to the district improvement(s) in issue, determined in the reasonable discretion of the District Engineer/designee(s).

VIII. COSTS AND REIMBURSEMENTS FOR DISTRICT FORMATION /ANNEXATION

All City and professional service costs incurred in the evaluation of an application for and in formation of or annexation to CFD 9 will be paid by the applicant from advance deposit(s) or as part of a subdivision agreement, at the City=s discretion. In any event, the applicant shall reimburse the City for all incidental expenses incurred in processing the formation of or annexation into CFD 9.

IX. MAINTENANCE DEPOSITS AND REFUNDS FOR DISTRICT MAINTENANCE COSTS; DUE AT FORMATION /ANNEXATION

The costs of maintenance of all CFD 9 maintained improvements from the time of acceptance to when the City can place the cost on the tax roll will be paid by the applicant from a deposit either directly from the applicant or as part of a subdivision agreement. The deposit will consist of the estimated costs of one year of maintenance services, determined in the reasonable discretion of the District Engineer/designee(s).

The City will refund to the applicant or its designated successor/assignee any unexpended and uncommitted portion of deposit(s) based on the following:

- The City shall use deposit monies for CFD 9 costs including maintenance of CFD 9 improvements as required, at the rates in effect at that time, from the date of acceptance by the City until the end of the district fiscal year (as defined in the district formation/annexation proceedings.) Any deposit remaining shall be refunded quarterly and shall include an accounting in support of the amount of refund. Any shortfall of deposit money in relation to costs incurred shall be paid by the applicant within 30 days of City=s written notice, which notice shall include an accounting in support of the amount sought.

X. PREPAYMENT OF SPECIAL TAX

CFD 9, a maintenance service district, has ongoing annual costs that require a year to year levy with no payoff date foreseeable. Therefore, prepayment of the CFD 9 special tax obligation is not possible and is not offered.
XI. PROFESSIONAL SERVICES

Selection of professional services needed for the formation, annexation, or administration of CFD 9 shall be determined in the reasonable discretion of the City.

XII. CREDIT RATING AND APPRAISAL REQUIREMENTS FOR BOND ISSUANCE

CFD 9 shall not build or purchase improvements and shall not issue bonds. Therefore, there are no credit rating and appraisal requirements.

XIII. AMENDMENTS

The City Council may amend these Policies from time to time as necessary to respond to changes in financing conditions, economic conditions or applicable law, in the manner and the extent allowed by law. These Policies are not intended to create or constitute any vested or property right, whatsoever.
Description of Facilities to be added by Annexation No. 3 and maintained by Community Facilities District No. 11.

The proposed facilities to be maintained shall consist of:

1. The landscaping, irrigation systems, trees and hardscaping located in the median islands and the street lights within the West Herndon Avenue and North Riverside Drive rights-of-way.

2. The street paving, concrete curbs and gutters, valley gutter, curb ramps and sidewalks, street name signage and street lights within the North Weber Avenue and Weber access road right-of-way.

3. The storm-drain facilities within the Weber access road connecting North Weber to West Herndon Avenues.

These facilities are generally located on the attached map (page C-2.)

Plans and specifications for the existing improvements are filed herewith and are incorporated herein by reference to the items as listed and enumerated in the documents as described below:

Median island landscaping, irrigation systems, median hardscaping, street paving, concrete curbs and gutters, valley gutter, curb ramp and sidewalks, street lights and storm facilities are as shown on the approved City of Fresno Construction Plans for Final Parcel Map No. 2008-13 on file at the City of Fresno Department of Public Works.
FEATURES TO BE ADDED BY FINAL PARCEL MAP NO. 2008-13, ANNEXATION NO. 3 COMMUNITY FACILITIES DISTRICT NO. 9

THE MARKETPLACE AT EL PASEO

LANDSCAPE AND IRRIGATION:
- MEDIAN (ALL) = 22,764 SF
- HERNDON AND RIVERSIDE
- LARGE TREES = 16 EA
- SMALL TREES = 4 EA

STAMPED CONCRETE:
- 1/2 MEDIAN CAP = 2,409 SF
- 1/2 MEDIAN EDGE = 1,353 SF

LOCAL INDUSTRIAL PAVEMENT:
- TOTAL AREA = 57,079 SF

CONCRETE IMPROVEMENTS:
- CURB & GUTTER = 2,628 LF
- VALLEY GUTTER = 801 SF
- SIDEWALKS = 12,279 SF
- CURB RAMP = 317 LF

WEBER STORM DRAIN FACILITIES:
- 30" RCP PIPE = 621 LF
- FMFCD TYPE A CASE 1 MANHOLE = 6 EA
- INLET = 2 EA
- 12" LATERAL PIPE = 30 LF

CITY OF FRESNO
PUBLIC WORKS DEPARTMENT
TRAFFIC AND ENGINEERING SERVICES DIVISION

March 18, 2013