



GOODWIN CONSULTING GROUP

**CITY OF RANCHO CORDOVA
GRANTLINE 208
COMMUNITY FACILITIES DISTRICT NO. 2018-1**

**CFD TAX ADMINISTRATION REPORT
FISCAL YEAR 2021-22**

September 1, 2021

Community Facilities District No. 2018-1
CFD Tax Administration Report

TABLE OF CONTENTS

<i>Section</i>	<i>Page</i>
Executive Summary	i
I. Introduction	1
II. Purpose of Report.....	2
III. Fiscal Year 2021-22 Special Tax Requirement.....	3
IV. Fiscal Year 2021-22 Special Tax Levy	5
V. Development Update.....	7
VI. Facilities to be Financed with Bond Proceeds.....	8
VII. Prepayments	9
VIII. State Reporting Requirements.....	10
Appendix A - Special Tax Summary for Fiscal Year 2021-22	
Appendix B - CFD Budget Worksheet for Fiscal Year 2021-22	
Appendix C - Fiscal Year 2021-22 Special Tax Levy for Individual Assessor’s Parcels	
Appendix D - Rate and Method of Apportionment of Special Tax	
Appendix E - Boundary Map of CFD No. 2018-1	
Appendix F - Assessor's Parcel Maps for Fiscal Year 2021-22	

EXECUTIVE SUMMARY

The following summary provides a brief overview of the main points from this report regarding the City of Rancho Cordova Grantline 208 Community Facilities District No. 2018-1 (“CFD No. 2018-1” or the “CFD”):

Fiscal Year 2021-22 Special Tax Levy

Number of Taxed Parcels	Total Special Tax Levy
502	\$1,141,861

For further detail regarding the special tax levy, or special tax rates, please refer to Section IV of this report.

Development Status for Fiscal Year 2021-22

Tax Category	Land Use	Lot Type Category	Number of Lots/Units/Acres
Developed Property	Expected Single Family Detached Property	Lot Type A	98 SFD Lots
Developed Property	Expected Single Family Detached Property	Lot Type B	187 SFD Lots
Developed Property	Other Taxable Residential Property	N/A	0 units
Developed Property	Non-Residential Property	All Commercial and Industrial Designations	0.0 acres
Final Map Property	Expected Single Family Detached Property	Lot Type A	62 SFD Lots
Final Map Property	Expected Single Family Detached Property	Lot Type B	155 SFD Lots
Undeveloped Property	N/A	N/A	0.0 acres

For more information regarding the status of development in CFD No. 2018-1, please see Section V of this report.

Delinquency Summary

Delinquent Amount for FY 2020-21 (as of June 30, 2021)	Number of Parcels Delinquent	Total Levy for FY 2020-21	Delinquency Rate
\$0*	0*	\$984,218	0.00%

* All delinquent amounts are remitted to the City through the Sacramento County Teeter Plan.

Outstanding Bonds Summary

Series	Issuance Date	Original Principal	Amount Retired	Current Amount Outstanding
Series 2019	December 2019	\$7,105,000	\$70,000*	\$7,035,000*
Series 2021	February 2021	\$5,675,000	\$105,000*	\$5,570,000*

* As of the date of this report

I. INTRODUCTION

Grantline 208 Community Facilities District No. 2018-1

On October 1, 2018, the City Council of the City of Rancho Cordova (the “Council”) established the City of Rancho Cordova Grantline 208 CFD No. 2018-1 and authorized bonded indebtedness for the CFD not to exceed \$35,000,000. The land owners at the time of formation then voted to authorize the levy of a Mello-Roos special tax on properties within the CFD. On December 5, 2019, special tax bonds (the “Series 2019 Bonds”) were issued in the principal amount of \$7,105,000 on behalf of the CFD. On February 17, 2021, special tax bonds (the “Series 2021 Bonds”) were issued in the principal amount of \$5,675,000 on behalf of the CFD. The Series 2019 Bonds and Series 2021 Bonds are collectively referred to as the “Bonds” in this Report. Special tax revenues and proceeds of the Bonds will be used to fund certain public infrastructure for the benefit of residents within the CFD. The public infrastructure to be funded generally includes roadway improvements, park improvements, sewer and water facilities, and drainage facilities.

Property in CFD No. 2018-1 consists of approximately 210 acres located in the southeastern portion of the City of Rancho Cordova (the “City”) in the eastern portion of Sacramento County. At the time of CFD formation, development was planned for 502 single-family residences, a community park, and an elementary school.

The Mello-Roos Community Facilities Act of 1982

The reduction in property tax revenue that resulted from the passage of Proposition 13 in 1978 required public agencies and real estate developers to look for other means to fund public infrastructure. The funding available from traditional assessment districts was limited by certain requirements of the assessment acts, and it became clear that a more flexible funding tool was needed. In response, the California State Legislature approved the Mello-Roos Community Facilities Act of 1982 (the “Act”), which provides for the levy of a special tax within a defined geographic area, namely a community facilities district, if such a levy is approved by two-thirds of the qualified electors in the area. Community facilities districts can generate funding for a broad range of facilities, and special taxes can be allocated to property in any reasonable manner other than on an ad valorem basis. A community facilities district is authorized to issue tax-exempt bonds that are secured by land within the district. If a parcel does not pay the special tax levied on it, a public agency can foreclose on the parcel and use the proceeds of the foreclosure sale to ensure that bondholders receive interest and principal payments on the bonds. Because bonds issued by a community facilities district are land-secured, there is no risk to a public agency’s general fund or taxing capacity. In addition, because the bonds are tax-exempt, they typically carry an interest rate that is lower than conventional construction financing.

II. PURPOSE OF REPORT

This CFD Tax Administration Report (the “Report”) presents findings from research and financial analysis performed by Goodwin Consulting Group, Inc. to determine the fiscal year 2021-22 special tax levy for CFD No. 2018-1. The Report is intended to provide information to interested parties regarding the current financial obligations of the CFD, special taxes to be levied in fiscal year 2021-22, and public facilities authorized to be funded by the CFD. The Report also summarizes development activity as well as other pertinent information (e.g., prepayments) for CFD No. 2018-1.

The Report is organized into the following sections:

- **Section III** identifies financial obligations of the CFD for fiscal year 2021-22.
- **Section IV** provides a summary of the methodology that is used to apportion the special tax among parcels in the CFD.
- **Section V** provides an update of the development activity occurring within the CFD, including new subdivision activity.
- **Section VI** provides information regarding facilities financed with bond proceeds and excess special tax revenue, if available.
- **Section VII** identifies parcels, if any, that have prepaid their special tax obligation.
- **Section VIII** provides information on state reporting requirements.

III. FISCAL YEAR 2021-22 SPECIAL TAX REQUIREMENT

Pursuant to the Rate and Method of Apportionment of Special Tax (the “RMA”), which was adopted as an exhibit to the Resolution of Formation of CFD No. 2018-1, the Special Tax Requirement means the amount necessary in any fiscal year to: (i) pay principal and interest on Bonds that are due in the calendar year that begins in such fiscal year; (ii) pay periodic costs on the Bonds, including but not limited to, credit enhancement, liquidity support and rebate payments on the Bonds; (iii) replenish reserve funds created for the Bonds under the Indenture to the extent such replenishment has not been included in the computation of the Special Tax Requirement in a previous fiscal year; (iv) cure any delinquencies in the payment of principal or interest on Bonds which have occurred in the prior fiscal year or, based on prior delinquencies, are expected to occur in the current fiscal year; (v) pay Administrative Expenses; and (vi) pay directly for Authorized Facilities, so long as such levy under this clause (vi) does not increase the Special Tax levied on Undeveloped Property. The amounts referred to in clauses (i) and (ii) of the definition of Special Tax Requirement may be reduced in any fiscal year by: (a) interest earnings on or surplus balances in funds and accounts for the Bonds to the extent that such earnings or balances are available to apply against such costs pursuant to the Indenture; (b) in the sole and absolute discretion of the City, proceeds received by the CFD from the collection of penalties associated with delinquent Special Taxes; and (c) any other revenues available to pay such costs, each as determined in the sole discretion of the City. For fiscal year 2021-22, the Special Tax Requirement is \$1,141,861, as shown in the following table. (*Capitalized terms not defined herein are defined in the RMA in Appendix D of this Report.*)

**Community Facilities District No. 2018-1
FY 2021-22 Special Tax Requirement**

Debt Service Due in 2022		\$712,444
Series 2019 Interest Payment Due (March 1, 2022)	\$169,622	
Series 2019 Interest Payment Due (September 1, 2022)	\$169,622	
Series 2019 Principal Payment Due (September 1, 2022)	\$80,000	
Series 2021 Interest Payment Due (March 1, 2022)	\$109,100	
Series 2021 Interest Payment Due (September 1, 2022)	\$109,100	
Series 2021 Principal Payment Due (September 1, 2022)	\$75,000	
Administrative Expenses		\$31,212
City Administrative Expenses	\$12,612	
Estimated County Charge	\$750	
Fiscal Agent	\$3,500	
Consultants	\$14,200	
Other Expenses	\$150	
Allowance for Delinquent Special Taxes		\$0
Facilities Costs to be Paid Directly from Special Taxes		\$398,204
Rounding Adjustment		\$1
FISCAL YEAR 2021-22 SPECIAL TAX REQUIREMENT		\$1,141,861

IV. FISCAL YEAR 2021-22 SPECIAL TAX LEVY

Special Tax Categories

Special taxes within CFD No. 2018-1 are levied pursuant to the methodology set forth in the RMA. The RMA establishes various special tax categories against which the special tax can be levied each year, the maximum special tax rates, and the methodology by which the special tax is applied. Each fiscal year, the Administrator shall: (i) assign each Parcel of Taxable Property to the appropriate Development Class, (ii) for Developed Property, categorize each Parcel as Expected Single Family Detached Property, Other Taxable Residential Property, or Non-Residential Property, (iii) for Expected Single Family Detached Property, categorize each SFD Lot as Lot Type A or Lot Type B, and (iv) determine the Special Tax Requirement for the fiscal year. In addition, the Administrator shall, on an ongoing basis, monitor Final Maps and track the Lot Type Category for Parcels in the CFD to determine if there are any proposed Land Use Changes that would change the Expected Maximum Special Tax Revenues. If the Expected Maximum Special Tax Revenues will be revised pursuant to a proposed Land Use Change, the Administrator shall apply the steps set forth in Section D of the RMA. (*Capitalized terms are defined in the RMA, which is included in Appendix D.*)

Maximum Special Tax Rates

The maximum special tax rates applicable to each category of property in the CFD are set forth in Section C of the RMA. For parcels of Developed Property and Final Map Property, the RMA assigns a Maximum Special Tax rate based on the land use category of the parcel. Parcels that are expected to be used for single family detached units are assigned a per-lot rate based on the Lot Type of the parcel. Non-Residential property is assigned a per-acre rate. All Undeveloped Property is assigned a single per-acre Maximum Special Tax rate. Appendix A of this Report contains a detailed summary of the Maximum Special Tax rates that can be levied on property in the CFD for fiscal year 2021-22.

Apportionment of Special Taxes

Pursuant to the RMA, each fiscal year, the Administrator shall determine the Special Tax Requirement to be collected in that fiscal year. A Special Tax shall then be levied according to the following steps:

- (1) The Special Tax shall be levied Proportionately on each Parcel of Developed Property up to 100% of the Maximum Special Tax for each Parcel of Developed Property until the amount levied is equal to the Special Tax Requirement prior to applying any Capitalized Interest that is available in the CFD accounts.
- (2) If additional revenue is needed after Step 1 in order to meet the Special Tax Requirement after Capitalized Interest has been applied to reduce the Special Tax Requirement, the Special Tax shall be levied Proportionately on each Parcel of Final Map Property up to 100% of the Maximum Special Tax for each Parcel of Final Map Property until the amount levied is equal to the Special Tax Requirement.

- (3) If additional revenue is needed after Step 2, the Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for each Parcel of Undeveloped Property until the amount levied is equal to the Special Tax Requirement.
- (4) If additional revenue is needed after Step 3, the Special Tax shall be levied Proportionately on each Parcel of Taxable Owners Association Property, up to 100% of the Maximum Special Tax for each Parcel of Taxable Owners Association Property until the amount levied is equal to the Special Tax Requirement.
- (5) If additional revenue is needed after Step 4, the Special Tax shall be levied Proportionately on each Parcel of Taxable Public Property, up to 100% of the Maximum Special Tax for each Parcel of Taxable Public Property until the amount levied is equal to the Special Tax Requirement.

The actual special tax rates and number of units and/or acres of taxable property on which those rates are levied for fiscal year 2021-22 are shown in in Appendix A of this Report.

V. DEVELOPMENT UPDATE

As of June 30, 2021, 502 SFD Lots have been created within CFD No. 2018-1 through the recordation of final maps. Among those lots, the City has issued 285 building permits for construction of new single family homes. For the fiscal year 2021-22 special tax levy, the SFD Lots with building permits issued are classified as Developed Property, while the remaining final mapped lots are considered Final Map Property. All other taxable parcels in the CFD are considered Undeveloped Property.

Based on the current status of development in CFD No. 2018-1, the following table summarizes the allocation of taxable parcels in fiscal year 2021-22 to the special tax categories established in the RMA.

**Community Facilities District No. 2018-1
Allocation to Special Tax Categories Fiscal Year 2021-22**

Tax Category	Land Use	Lot Type Category	Number of Lots/Units/Acres
Developed Property	Expected Single Family Detached Property	Lot Type A	98 SFD Lots
Developed Property	Expected Single Family Detached Property	Lot Type B	187 SFD Lots
Developed Property	Other Taxable Residential Property	N/A	0 units
Developed Property	Non-Residential Property	All Commercial and Industrial Designations	0.0 acres
Final Map Property	Expected Single Family Detached Property	Lot Type A	62 SFD Lots
Final Map Property	Expected Single Family Detached Property	Lot Type B	155 SFD Lots
Undeveloped Property	N/A	N/A	0.0 acres

VI. FACILITIES TO BE FINANCED WITH BOND PROCEEDS

Resolution No. 126-2018, which was adopted by the City on October 1, 2018, authorizes the financing of the following facilities (collectively, the “Facilities”):

- 1) Roadways, Local Drainage, Landscaping, and Soundwalls
- 2) Park Improvements
- 3) Sewer Facilities
- 4) Water Facilities
- 5) Drainage Facilities
- 6) Impact and Sunridge Specific Plan Area Fees
- 7) Engineering Studies, Permitting, Public Facilities Report, Financing Plan
- 8) Other facilities permitted under the Act

As mentioned previously, the CFD is authorized to issue bonded indebtedness up to \$35,000,000 to fund the Facilities. To date, \$12,780,000 in special tax bonds has been issued by the CFD to fund the Facilities.

VII. PREPAYMENTS

As of June 30, 2021, no property owner in CFD No. 2018-1 has prepaid his/her special tax obligation. Thus, unless otherwise exempted pursuant to the RMA, all parcels within CFD No. 2018-1 remain subject to the special tax.

VIII. STATE REPORTING REQUIREMENTS

Assembly Bill No. 1666

On July 25, 2016, Governor Jerry Brown signed Assembly Bill No. 1666, adding Section 53343.2 to the California Government Code (“GC”). The bill enhances the transparency of community facilities districts by requiring that certain reports be accessible on a local agency’s web site. Pursuant to Section 53343.2, a local agency that has a web site shall, within seven months after the last day of each fiscal year of the district, display prominently on its web site the following information:

Item (a): A copy of an annual report, if requested, pursuant to GC Section 53343.1. The report required by Section 53343.1 includes CFD budgetary information for the prior fiscal year and is only prepared by a community facilities district at the request of a person who resides in or owns property in the community facilities district. If the annual report has not been requested to be prepared, then a posting to the web site would not be necessary.

Item (b): A copy of the report provided to the California Debt and Investment Advisory Commission (“CDIAC”) pursuant to GC Section 53359.5. Under Section 53359.5, local agencies must provide CDIAC with the following: (i) notice of proposed sale of bonds; (ii) annual reports on the fiscal status of bonded districts; and (iii) notice of any failure to pay debt service on bonds, or of any draw on a reserve fund to pay debt service on bonds.

Item (c): A copy of the report provided to the State Controller’s Office pursuant to GC Section 12463.2. This section refers to the parcel tax portion of a local agency’s Financial Transactions Report that is prepared for the State Controller’s Office annually. Note that school districts are not subject to the reporting required by GC Section 12463.2.

Assembly Bill No. 1483

On October 9, 2019, Governor Gavin Newsom signed Assembly Bill No. 1483, adding Section 65940.1 to the California Government Code. The law requires that a city, county, or special district that has an internet website, maintain on its website a current schedule of fees, exactions, and affordability requirements imposed by the public agency on all housing development projects. Pursuant to Section 65940.1, the definition of an exaction includes a special tax levied pursuant to the Mello-Roos Community Facilities Act.

Assembly Bill No. 1483 defines a housing development project as consisting of (a) residential units only; or (b) mixed-use developments consisting of residential and non-residential land uses with at least two-thirds of the square footage designated for residential use; or (c) transitional housing or supportive housing. Assembly Bill No. 1483 also requires a city, county, or special district to update this information on their website within 30 days of any changes made to the information.

Senate Bill No. 165

On September 18, 2000, former Governor Gray Davis signed Senate Bill 165 which enacted the Local Agency Special Tax and Bond Accountability Act. In approving the bill, the Legislature declared that local agencies need to demonstrate to the voters that special taxes and bond proceeds are being spent on the facilities and services for which they were intended. To further this objective, the Legislature added Sections 50075.3 and 53411 to the California Government Code setting forth annual reporting requirements relative to special taxes collected and bonds issued by a local public agency. Pursuant to the Sections 50075.3 and 53411, the “chief fiscal officer” of the public agency will, by January 1, 2002, and at least once a year thereafter, file a report with the City setting forth (i) the amount of special taxes that have been collected and expended; (ii) the status of any project required or authorized to be funded by the special taxes; (iii) if bonds have been issued, the amount of bonds that have been collected and expended; and (iv) if bonds have been issued, the status of any project required or authorized to be funded from bond proceeds.

APPENDIX A

Special Tax Summary for Fiscal Year 2021-22

**City of Rancho Cordova
Grantline 208 CFD No. 2018-1**

Special Tax Levy Summary for Fiscal Year 2021-22

Special Tax Category	Developed Land Use	Lot Type	Number of Units / SFD Lots / Acres	FY 2021-22 Maximum Special Tax Rate	FY 2021-22 Actual Special Tax Rate	FY 2021-22 Special Tax Levy
Developed Property	SFD	A	98 SFD Lots	\$2,599.96	\$2,599.96	\$254,796.08
	SFD	B	187 SFD Lots	\$2,122.42	\$2,122.42	\$396,892.54
	Other	N/A	0 Units	\$14,890.88	\$0.00	\$0.00
	Non-Residential	N/A	0.0 Acres	\$14,890.88	\$0.00	\$0.00
Final Map Property	SFD	A	62 SFD Lots	\$2,599.96	\$2,599.96	\$161,197.52
	SFD	B	155 SFD Lots	\$2,122.42	\$2,122.42	\$328,975.10
Undeveloped Property	N/A	N/A	0.0 Acres	\$14,890.88	\$0.00	\$0.00
Total Fiscal Year 2021-22 Special Tax Levy						\$1,141,861.24

Goodwin Consulting Group, Inc.

APPENDIX B

*CFD Budget Worksheet for
Fiscal Year 2021-22*

City of Rancho Cordova

2021/22 Budget Worksheet Grantline 208 CFD No. 2018-1

Sacramento County Tax Code No. 0050

Levy Components	2020/21	2021/22	
PRINCIPAL AND INTEREST			
Series 2019 Special Tax Bonds	March, 2022	\$170,672	\$169,622
Series 2019 Special Tax Bonds	September, 2022	\$170,672	\$169,622
Series 2019 Special Tax Bonds	September, 2022	\$70,000	\$80,000
Series 2021 Special Tax Bonds	March, 2022	\$0	\$109,100
Series 2021 Special Tax Bonds	September, 2022	\$0	\$109,100
Series 2021 Special Tax Bonds	September, 2022	<u>\$0</u>	<u>\$75,000</u>
TOTAL		\$411,344	\$712,444
ADMINISTRATION COSTS			
District Administration - Agency		\$12,250	<u>\$12,612</u>
Subtotal Agency Staff and Expenses		\$12,250	\$12,612
County Auditor and Assessor Fees		\$500	\$750
Fiscal Agent / PFM Fees		\$3,500	\$3,500
Arbitrage Calculation Fees		\$0	\$0
Consulting and Professional Services		\$13,900	\$13,900
Consulting Expenses		\$300	\$300
Delinquency Management	Included		Included
Municipal Disclosure and Dissemination Fees		\$0	\$0
Other Expenses		<u>\$150</u>	<u>\$150</u>
Subtotal Nonagency Admin Expenses		\$18,350	\$18,600
TOTAL ADMINISTRATION COSTS		\$30,600	\$31,212
Total Principal, Interest and Admin Costs		\$441,944	\$743,656
ADJUSTMENTS APPLIED TO LEVY			
Replenishment/(Credit)		\$0	\$0
Pay-As-You-Go Facilities Funding		\$542,275	\$398,204
Miscellaneous Adjustment		(\$1)	<u>\$1</u>
Capitalized Interest Applied		<u>\$0</u>	<u>\$0</u>
TOTAL		\$542,274	\$398,205
TOTAL CHARGE			
Special Tax Requirement		<u>\$984,218</u>	<u>\$1,141,861</u>
Applied Charge		\$984,218	\$1,141,861
ADDITIONAL INFORMATION			
Number of Active Parcels		456	520
Number of Parcels Levied		437	502
Total Maximum Tax (Dev + FM)		\$984,218.40	\$1,141,861.24
Percentage of Maximum Tax Levied (Dev + FM)		100.00%	100.00%

APPENDIX C

*Fiscal Year 2021-22
Special Tax Levy for
Individual Assessor's Parcels*

**City of Rancho Cordova
Grantline 208 CFD No. 2018-1**

Fiscal Year 2021-22 Special Tax Levy

Assessor's Parcel Number	Development Status	Land Use	Lot Type	SFD Lots/ Acres	FY 2021-22 Maximum Special Tax	FY 2021-22 Special Tax Levy
067-1340-031-0000	Final Map	Single Family Detached	B	1	\$2,122.42	\$2,122.42
067-1340-032-0000	Final Map	Single Family Detached	B	1	\$2,122.42	\$2,122.42
067-1340-033-0000	Final Map	Single Family Detached	B	1	\$2,122.42	\$2,122.42
067-1340-034-0000	Final Map	Single Family Detached	B	1	\$2,122.42	\$2,122.42
067-1340-035-0000	Final Map	Single Family Detached	B	1	\$2,122.42	\$2,122.42
067-1340-036-0000	Final Map	Single Family Detached	B	1	\$2,122.42	\$2,122.42
067-1340-037-0000	Final Map	Single Family Detached	B	1	\$2,122.42	\$2,122.42
067-1340-038-0000	Final Map	Single Family Detached	B	1	\$2,122.42	\$2,122.42
Total Fiscal Year 2021-22 Special Tax Levy					\$1,141,861.24	\$1,141,861.24

Goodwin Consulting Group, Inc.

APPENDIX D

Rate and Method of Apportionment of Special Tax

**CITY OF RANCHO CORDOVA
GRANTLINE 208
COMMUNITY FACILITIES DISTRICT NO. 2018-1**

RATE AND METHOD OF APPORTIONMENT OF SPECIAL TAX

A Special Tax applicable to each Assessor's Parcel in the City of Rancho Cordova Grantline 208 Community Facilities District No. 2018-1 shall be levied and collected according to the tax liability determined by the City Council through the application of the appropriate amount or rate for Taxable Property, as described below. All of the property in the CFD, unless exempted by law or by the provisions of Section G below, shall be taxed for the purposes, to the extent, and in the manner herein provided, including property subsequently annexed to the CFD unless a separate Rate and Method of Apportionment is adopted for the annexation area.

A. DEFINITIONS

The terms hereinafter set forth have the following meanings:

“Acre” or “Acreage” means the land area of 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 parcel map recorded at the County Recorder's Office.

“Act” means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, (commencing with Section 53311), Part 1, Division 2 of 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 or expenses of its counsel) employed in connection with any Bonds, and the expenses of the City in carrying out its duties with respect to the CFD and the Bonds, including, but not limited to, the levy and collection of Special Taxes, the fees and expenses of its counsel, charges levied by the County in connection with the levy and collection of Special Taxes, costs related to property owner inquiries regarding the Special Tax, costs associated with appeals or requests for interpretation associated with the Special Tax and this RMA, amounts needed to pay rebate to the federal government with respect to Bonds, costs associated with complying with continuing disclosure requirements for the City and any major property owners or other obligated parties, costs associated with foreclosure and collection of delinquent Special Taxes, and all other costs and expenses of the City and County in any way related to the establishment or administration of the CFD.

“Administrator” shall mean the person or firm designated by the City to administer the Special Tax according to this RMA.

“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 designating Parcels by Assessor’s Parcel Number.

“Authorized Facilities” means the public facilities authorized to be financed, in whole or in part, by the CFD.

“Base Special Tax” means, for any Land Use Category, the applicable Special Tax initially identified in Table 1 in Section C, as may be adjusted pursuant to Section D.

“Bonds” means bonds or other debt (as defined in the Act), whether in one or more series, secured by the Special Tax and issued or assumed by the CFD to fund Authorized Facilities.

“Building Permit” means a permit that allows for vertical construction of a building or buildings, which shall not include a separate permit issued for construction of the foundation thereof.

“Capitalized Interest” means funds in any capitalized interest account available to pay debt service on Bonds.

“CFD” means the City of Rancho Cordova Grantline 208 Community Facilities District No. 2018-1.

“CFD Formation” means the date on which the Resolution of Formation to form the CFD was adopted by the City Council.

“City” means the City of Rancho Cordova.

“City Council” means the City Council of the City of Rancho Cordova.

“County” means the County of Sacramento.

“Developed Property” means, in any Fiscal Year, all Parcels of Taxable Property that are not Taxable Owners Association Property or Taxable Public Property for which a Building Permit for new construction was issued prior to June 1 of the preceding Fiscal Year.

“Development Class” means, individually, Developed Property, Final Map Property, Undeveloped Property, Taxable Owners Association Property, and Taxable Public Property.

“Expected Land Uses” means the number and Lot Type Category of SFD Lots expected within the CFD at CFD Formation, as identified in Attachments 1 and 2 of this RMA. Pursuant to Section D of this RMA, the Administrator shall update Attachment 2 each time there is a Land Use Change.

“Expected Maximum Special Tax Revenues” means the aggregate Special Tax that can be levied based on application of the Base Special Tax to the Expected Land Uses. The Expected Maximum Special Tax Revenues at CFD Formation are shown in Attachment 2 and may be revised pursuant to Section D below.

“Expected Single Family Detached Property” means all SFD Lots in the CFD that are Lot Type A or Lot Type B, as determined by the Administrator.

“Final Map” means a final map, or portion thereof, approved by the City or County pursuant to the Subdivision Map Act (California Government Code Section 66410 *et seq*) that creates SFD Lots. 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 SFD Lots, including Assessor’s Parcels that are designated as remainder parcels.

“Final Map Property” means, in any Fiscal Year, all Parcels of Expected Single Family Detached Property for which a Final Map had recorded prior to June 30 of the preceding Fiscal Year and which have not yet become Developed Property.

“First Bond Sale” means issuance of the first series of Bonds secured, in whole or in part, by Special Taxes levied and collected from Parcels in the CFD.

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

“Improvement Fund” means the account (regardless of its name) identified in the Indenture to hold funds that are available for expenditure to acquire or construct Authorized Facilities.

“Indenture” means the bond indenture, fiscal agent agreement, trust agreement, resolution or other instrument pursuant to which Bonds are issued, as modified, amended, and/or supplemented from time to time, and any instrument replacing or supplementing the same.

“Land Use Category” means the categories of land use identified in Table 1 in Section C below.

“Land Use Change” means a proposed or approved change to the Expected Land Uses after CFD Formation.

“Lot Type A” means a SFD Lot designated on a Tentative Map or Final Map as a lot with expected dimensions of 55 feet by 105 feet (55’ x 105’) regardless of the actual dimensions of the SFD Lot.

“Lot Type B” means a SFD Lot designated on a Tentative Map or Final Map as a lot with expected dimensions of 45 feet by 105 feet (45’ x 105’) regardless of the actual dimensions of the SFD Lot.

“Lot Type Category” means, individually, Lot Type A or Lot Type B. If there is any inconsistency between the designations in the Tentative Map and Final Map, or otherwise any confusion regarding the Lot Type Category for a particular SFD Lot, the City shall determine the appropriate Lot Type Category for the SFD Lot.

“Maximum Special Tax” means the greatest amount of Special Tax that can be levied on a Parcel in any Fiscal Year, as determined in accordance with Sections C and D below.

“Non-Residential Property” means all Taxable Property in the CFD that has a commercial or industrial Zoning Designation, as determined by the City.

“Other Taxable Residential Property” means all Parcels of residential Taxable Property in the CFD that are developed or expected to be developed with: (i) SFD Lots that are not Lot Type A or Lot Type B, or (ii) residential units that are not SFD Units.

“Owners Association” means a homeowners association or property owners association that provides services to, and collects assessments, fees, dues, or charges from, property within the CFD.

“Owners Association Property” means any property within the boundaries of the CFD that is owned in fee or by easement by the Owners Association, not including any such property that is located directly under a residential structure.

“Proportionately” means, for each Development Class, that the ratio of the actual Special Tax levied in any Fiscal Year to the Maximum Special Tax authorized to be levied in that Fiscal Year is equal for all parcels assigned to the Development Class.

“Public Property” means any property within the boundaries of the CFD that is owned by the City, federal government, State of California or other public agency.

“Required Coverage” means the amount by which the Expected Maximum Special Tax Revenues must exceed the Bond debt service and priority Administrative Expenses (if any), as set forth in the Indenture, Certificate of Special Tax Consultant, or other formation or bond document that sets forth the minimum required debt service coverage.

“Residential Unit” means an SFD Unit or an individual residential unit within a duplex, halfplex, triplex, fourplex, townhome, live/work or condominium structure, or apartment building. A second unit (granny flat) that shares a Parcel with an SFD Unit shall not be considered a Residential Unit for purposes of levying the Special Tax.

“RMA” means this Rate and Method of Apportionment of Special Tax.

“SFD Lot” means an individual residential lot, identified and numbered on a recorded Final Map, on which a Building Permit has been or is permitted to be issued for construction of an SFD Unit without further subdivision of the lot and for which no further subdivision of the lot is anticipated pursuant to an approved Tentative Map.

“SFD Unit” means a residential unit that does not share a common wall with another residential unit.

“Special Tax” means a special tax levied in any Fiscal Year to pay the Special Tax Requirement.

“Special Tax Requirement” means the amount necessary in any Fiscal Year to: (i) pay principal and interest on Bonds that are due in the calendar year that begins in such Fiscal Year; (ii) pay periodic costs on the Bonds, including but not limited to, credit enhancement, liquidity support and rebate payments on the Bonds; (iii) replenish reserve funds created for the Bonds under the Indenture to the extent such replenishment has not been included in the computation of the Special Tax Requirement in a previous Fiscal Year; (iv) cure any delinquencies in the payment of principal or interest on Bonds which have occurred in the prior Fiscal Year or, based on prior delinquencies, are expected to occur in the current Fiscal Year; (v) pay Administrative Expenses; and (vi) pay directly for Authorized Facilities, so long as such levy under this clause (vi) does not increase the Special Tax levied on Undeveloped Property. The amounts referred to in clauses (i) and (ii) of the definition of Special Tax Requirement may be reduced in any Fiscal Year by: (a) interest earnings on or surplus balances in funds and accounts for the Bonds to the extent that such earnings or balances are available to apply against such costs pursuant to the Indenture; (b) in the sole and absolute discretion of the City, proceeds received by the CFD from the collection of penalties associated with delinquent Special Taxes; and (c) any other revenues available to pay such costs, each as determined in the sole discretion of the City.

“Taxable Owners Association Property” means, in any Fiscal Year after the First Bond Sale, any Parcel of Owners Association Property that satisfies all three of the following conditions: (i) the Parcel had not been Owners Association Property on the date of the First Bond Sale, (ii) based on reference to Attachments 1 and 2 (as may be updated pursuant to Section D below), the Parcel was not anticipated to be Owners Association Property as determined by the Administrator, and (iii) if the Parcel were to be exempt from the Special Tax because it is Owners Association Property, the Expected Maximum Special Tax Revenues would be reduced to a point at which Required Coverage could not be maintained.

“Taxable Property” means all of the Parcels within the boundaries of the CFD that are not exempt from the Special Tax pursuant to law or Section G below.

“Taxable Public Property” means in any Fiscal Year after the First Bond Sale, any Parcel of Public Property that satisfies all three of the following conditions: (i) the Parcel had not been Public Property on the date of the First Bond Sale, (ii) based on reference to Attachments 1 and 2 (as may be updated pursuant to Section D below), the Parcel was not anticipated to be Public Property as determined by the Administrator, and (iii) if the Parcel were to be exempt from the Special Tax because it is Public Property, the Expected Maximum Special Tax Revenues would be reduced to a point at which Required Coverage could not be maintained.

“Tentative Map” means a tentative map or substantial conformance exhibit for property in the CFD, as shown in Attachment 1 of this RMA and including any adjustments or amendments thereto.

“Undeveloped Property” means, in any Fiscal Year, all Parcels of Taxable Property that are not Final Map Property or Developed Property, as defined herein.

“Zoning Designation” means the City of Rancho Cordova zoning designation that applies to a particular area within the CFD, as determined by the City.

B. DATA FOR ADMINISTRATION OF THE SPECIAL TAX

Each Fiscal Year, the Administrator shall: (i) assign each Parcel of Taxable Property to the appropriate Development Class, (ii) for Developed Property, categorize each Parcel as Expected Single Family Detached Property, Other Taxable Residential Property, or Non-Residential Property, (iii) for Expected Single Family Detached Property, categorize each SFD Lot as Lot Type A or Lot Type B, and (iv) determine the Special Tax Requirement for the Fiscal Year. In addition, the Administrator shall, on an ongoing basis, monitor Final Maps and track the Lot Type Category for Parcels in the CFD to determine if there are any proposed Land Use Changes that would change the Expected Maximum Special Tax Revenues. If the Expected Maximum Special Tax Revenues will be revised pursuant to a proposed Land Use Change, the Administrator shall apply the steps set forth in Section D below.

In any Fiscal Year, if it is determined that: (i) a parcel map for property in the CFD was recorded after January 1 of the prior Fiscal Year (or any other date after which the Assessor will not incorporate the newly-created Parcels into the then current tax roll), (ii) because of the date the parcel map was recorded, the Assessor does not yet recognize the new Parcels created by the parcel map, and (iii) one or more of the newly-created Parcels is in a different Development Class than other Parcels created by the subdivision, the Administrator shall calculate the Special Taxes for the property affected by recordation of the parcel map by determining the Special Taxes that apply separately to the property within each Development Class, then applying the sum of the individual Special Taxes to the Parcel that was subdivided by recordation of the parcel map.

C. MAXIMUM SPECIAL TAX

1. Developed Property and Final Map Property

The Maximum Special Tax for a Parcel of Developed Property or Final Map Property is the greater of (i) the Base Special Tax set forth in Table 1 below, or, (ii) the Maximum Special Tax determined pursuant to Section D.

**Table 1
Base Special Tax
Developed Property and Final Map Property**

Land Use	Lot Type Category	Base Special Tax Fiscal Year 2018-19 *
Expected Single Family Detached Property	Lot Type A	\$2,450 per SFD Lot
Expected Single Family Detached Property	Lot Type B	\$2,000 per SFD Lot
Other Taxable Residential Property	N/A	Tax per Residential Unit = (\$14,032 per Acre * Acreage of Parcel)/ # of Residential Units on Parcel
Non-Residential Property	All Commercial and Industrial Designations	\$14,032 per Acre

*** On July 1, 2019 and on each July 1 thereafter, all figures shown in Table 1 above shall be increased by an amount equal to 2.0% of the amount in effect for the prior Fiscal Year.**

2. *Undeveloped Property, Taxable Owners Association Property, and Taxable Public Property*

The Maximum Special Tax for Undeveloped Property, Taxable Owners Association Property, and Taxable Public Property is \$14,032 per Acre for Fiscal Year 2018-19, which amount shall increase on July 1, 2019 and each July 1 thereafter by an amount equal to 2.0% of the amount in effect for the prior Fiscal Year.

D. CHANGES TO THE MAXIMUM SPECIAL TAX

1. *Land Use Changes*

The Expected Maximum Special Tax Revenues shown in Attachment 2 were originally calculated based on the Expected Land Uses at CFD Formation. Attachment 2 is subject to modification upon the occurrence of Land Use Changes, as described below. The Administrator shall review all Land Use Changes and compare the revised land uses to the Expected Land Uses to evaluate the impact on the Expected Maximum Special Tax Revenues.

Prior to the First Bond Sale, if a Land Use Change is proposed or identified that will result in a change in the Expected Maximum Special Tax Revenues, no action will be needed pursuant to this Section D. Upon approval of the Land Use Change, the Administrator shall update Attachment 2 to show the revised Expected Maximum Special Tax Revenues.

After the First Bond Sale, if a Land Use Change is proposed or identified, Steps 1 through 3 must be applied:

Step 1: By reference to Attachment 2 (which shall be updated by the Administrator each time a Land Use Change has been processed according to this Section D or a partial prepayment has been made), the Administrator shall identify the Expected Maximum Special Tax Revenues prior to the Land Use Change.

Step 2: The Administrator shall calculate the Expected Maximum Special Tax Revenues that could be collected from Taxable Property in the CFD after the Land Use Change based on application of the Base Special Taxes from Table 1.

Step 3: If the revenues calculated in Step 2 are (i) higher than those determined in Step 1 or (ii) less than those calculated in Step 1, but the reduction in Expected Maximum Special Tax Revenues does not reduce debt service coverage on outstanding Bonds below Required Coverage, no further action is needed, and the Administrator shall update Attachment 2 to show the revised Expected Maximum Special Tax Revenues.

If the revenues calculated in Step 2 are less than those calculated in Step 1, and the Administrator determines that the reduction in Expected Maximum Special

Tax Revenues would reduce debt service coverage on outstanding Bonds below the Required Coverage, one of the following shall occur:

3.a. The landowner requesting the Land Use Change (the “Requesting Landowner”) may make a prepayment in an amount that will ensure that the reduced Expected Maximum Special Tax Revenues are sufficient to provide Required Coverage, as determined pursuant to Section H below. If the Requesting Landowner notifies the Administrator that he/she would like to remedy the reduction by making a prepayment, such prepayment must be made by the earlier of (i) 30 days from the date of delivery of the prepayment estimate or (ii) the date of issuance of any Building Permits for any Parcel owned by the Requesting Landowner that was Final Map Property or Undeveloped Property at the time the Administrator prepared the prepayment estimate, **or**

3.b. If a prepayment is not received by the due date specified above, the Base Special Tax used to determine the Maximum Special Tax for each Parcel of Taxable Property in the area affected by the Land Use Change shall be increased proportionately until the Expected Maximum Special Tax Revenues are sufficient to maintain Required Coverage.

If multiple Land Use Changes are proposed simultaneously by a single landowner (which may include approval of multiple Final Maps at one time), and the landowner requests that the impact of two or more of the Land Use Changes be considered together, the Administrator shall consider the combined effect of the Land Use Changes to determine if there is a reduction in Expected Maximum Special Tax Revenues. If there is a reduction that would reduce debt service coverage below the Required Coverage, and no prepayment has been received, then the Base Special Tax used to determine the Maximum Special Tax for each Parcel of Taxable Property in the areas affected by the Land Use Changes shall be increased proportionately until the aggregate amount that can be levied within such areas is equal to the amount that could have been levied prior to the proposed Land Use Changes. If Land Use Changes are proposed simultaneously by multiple landowners, or if an individual landowner proposing multiple Land Use Changes does not request that such Land Use Changes be considered together, the Administrator shall consider the proposed Land Use Changes individually.

Notwithstanding the foregoing, once a certificate of occupancy has been issued for a Residential Unit on a Parcel, the Maximum Special Tax for the Parcel cannot be increased because of subsequent Land Use Changes that may occur within the area in which the Parcel is located.

The duties imposed on the Administrator pursuant to this Section D to review Land Use Changes, and to review Final Maps and make certain calculations, are intended only to facilitate the administration of the Special Tax and to better assure the sufficiency of tax capacity to pay debt service on Bonds. Such duties are not intended to give any developer, subdivider, or owner of property the right to receive notice of the potential impact of Land Use Changes on the Special Tax applicable to a Parcel; and each developer, subdivider, or owner of property whose property is the subject of a Land Use Change shall be responsible for understanding the impact thereof on the Special Tax applicable to such property.

2. *Partial Prepayments*

If a Parcel makes a partial prepayment pursuant to Section H below, the Administrator shall recalculate the Maximum Special Tax for the Parcel pursuant to Section H.2. In addition, the Administrator shall update Attachment 2 to reflect the prepayment and the revised Expected Maximum Special Tax Revenues for the CFD. After the prepayment has been received, the application of Sections D, E, and H of this RMA shall be based on the adjusted Expected Maximum Special Tax Revenues after the prepayment.

3. *Conversion of a Parcel of Public Property to Private Use*

If, in any Fiscal Year, a Parcel of Public Property is converted to private use, such Parcel shall be subject to the levy of the Special Tax. The Maximum Special Tax for each such Parcel shall be determined based on the applicable Base Special Tax for the Parcel, as determined by the Administrator.

E. METHOD OF LEVY OF THE SPECIAL TAX

Each Fiscal Year, the Administrator shall determine the Special Tax Requirement to be collected in that Fiscal Year. A Special Tax shall then be levied according to the following steps:

- Step 1:** The Special Tax shall be levied Proportionately on each Parcel of Developed Property up to 100% of the Maximum Special Tax for each Parcel of Developed Property until the amount levied is equal to the Special Tax Requirement prior to applying any Capitalized Interest that is available in the CFD accounts.
- Step 2:** If additional revenue is needed after Step 1 in order to meet the Special Tax Requirement after Capitalized Interest has been applied to reduce the Special Tax Requirement, the Special Tax shall be levied Proportionately on each Parcel of Final Map Property up to 100% of the Maximum Special Tax for each Parcel of Final Map Property until the amount levied is equal to the Special Tax Requirement.
- Step 3:** If additional revenue is needed after Step 2, the Special Tax shall be levied Proportionately on each Parcel of Undeveloped Property up to 100% of the Maximum Special Tax for each Parcel of Undeveloped Property until the amount levied is equal to the Special Tax Requirement.
- Step 4:** If additional revenue is needed after Step 3, the Special Tax shall be levied Proportionately on each Parcel of Taxable Owners Association Property, up to 100% of the Maximum Special Tax for each Parcel of Taxable Owners Association Property until the amount levied is equal to the Special Tax Requirement.
- Step 5:** If additional revenue is needed after Step 4, the Special Tax shall be levied Proportionately on each Parcel of Taxable Public Property, up to 100% of the

Maximum Special Tax for each Parcel of Taxable Public Property until the amount levied is equal to the Special Tax Requirement.

F. MANNER OF COLLECTION OF SPECIAL TAX

The Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes, provided, however, that prepayments are permitted as set forth in Section H below and provided further that the City may directly bill the Special Tax, may collect Special Taxes at a different time or in a different manner, and may collect delinquent Special Taxes through foreclosure or other available methods.

The Special Tax shall be levied and collected until principal and interest on Bonds have been repaid. However, in no event shall Special Taxes be levied after Fiscal Year 2064-65. Under no circumstances may the Special Tax on a Parcel of Developed Property in residential use be increased in any Fiscal Year as a consequence of delinquency or default in payment of the Special Tax levied on another Parcel or Parcels by more than ten percent (10%) above the amount that would have been levied in that Fiscal Year had there never been any such delinquencies or defaults.

G. EXEMPTIONS

Notwithstanding any other provision of this RMA, no Special Tax shall be levied in any Fiscal Year on the following:

- (1) Public Property, except Taxable Public Property.
- (2) Owners Association Property, except Taxable Owners Association Property.
- (3) Parcels that are owned by a public utility for an unmanned facility.
- (4) Parcels that are subject to an easement that precludes any other use on the Parcel.
- (5) Parcels that have fully prepaid the Special Tax obligation assigned to the Parcel pursuant to the formula set forth in Section H below.

H. PREPAYMENTS

The following definitions apply to this Section H:

“**Outstanding Bonds**” means all Previously Issued Bonds which remain outstanding, with the following exception: if a Special Tax has been levied against, or already paid by, an Assessor’s Parcel making a prepayment, and a portion of the Special Tax will be used to pay a portion of the next principal payment on the Bonds that remain outstanding (as determined by the Administrator), that next principal payment shall be subtracted from

the total Bond principal that remains outstanding, and the difference shall be used as the amount of Outstanding Bonds for purposes of this prepayment formula.

“Previously Issued Bonds” means all Bonds that have been issued prior to the date of prepayment.

“Public Facilities Requirements” means either \$15,700,000 in 2018 dollars, which shall increase on January 1, 2019, and on each January 1 thereafter by 2% of the amount in effect in the prior year or such other number as shall be determined by the City as sufficient to fund improvements that are authorized to be funded by the CFD. The Public Facilities Requirements shown above may be adjusted each time property annexes into the CFD or there is an adjustment to the Expected Maximum Special Tax Revenues due to a Land Use Change; at no time shall the Public Facilities Requirement exceed the amount of public improvement costs that can be funded by the Expected Maximum Special Tax Revenues, as determined by the Administrator.

“Remaining Facilities Costs” means the Public Facilities Requirement minus public facility costs funded by Previously Issued Bonds, developer equity and any other source of funding.

The Special Tax obligation applicable to a Parcel in the CFD may be prepaid and the obligation of the Parcel to pay the Special Tax permanently satisfied as described herein, provided that a prepayment may be made only if there are no delinquent Special Taxes with respect to such Parcel at the time of prepayment. An owner of a Parcel intending to prepay the Special Tax obligation shall provide the City with written notice of intent to prepay. Within 30 days of receipt of such written notice, the City or its designee shall notify such owner of the prepayment amount for such 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 Special Taxes. The Prepayment Amount shall be calculated as follows: (capitalized terms as defined below):

	Bond Redemption Amount
plus	Remaining Facilities Amount
plus	Redemption Premium
plus	Defeasance Requirement
plus	Administrative Fees and Expenses
less	<u>Reserve Fund Credit</u>
equals	Prepayment Amount

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

- Step 1.** Compute the amount that could be collected from the Parcel prepaying the Special Tax in the Fiscal Year in which prepayment would be received by the City by applying the Base Special Tax to the Expected Land Uses for the Parcel. If this Section H is being applied to calculate a prepayment pursuant to Section D above, compute the amount by which the proposed Land Use Change would reduce Expected Maximum Special Tax

Revenues below the amount needed for Required Coverage, and use this amount for purposes of this Step 1.

- Step 2.** Divide the Maximum Special Tax computed pursuant to Step 1 for such Parcel by the total Expected Maximum Special Tax Revenues for all property in the CFD, as shown in Attachment 2 of this RMA as adjusted by the Administrator after prepayments or Land Use Changes.
- Step 3.** Multiply the quotient computed pursuant to Step 2 by the Outstanding Bonds to compute the amount of Outstanding Bonds to be retired and prepaid (*the “Bond Redemption Amount”*).
- Step 4.** Compute the current Remaining Facilities Costs (if any).
- Step 5.** Multiply the quotient computed pursuant to Step 2 by the amount determined pursuant to Step 4 to compute the amount of Remaining Facilities Costs to be prepaid (*the “Remaining Facilities Amount”*).
- Step 6.** Multiply the Bond Redemption Amount computed pursuant to Step 3 by the applicable redemption premium, if any, on the Outstanding Bonds to be redeemed (*the “Redemption Premium”*).
- Step 7.** Compute the amount needed to pay interest on the Bond Redemption Amount starting with the first Bond interest payment date after which the prepayment will be received until the earliest redemption date for the Outstanding Bonds. However, if Bonds are callable at the first interest payment date after the prepayment has been received, Steps 7, 8 and 9 of this prepayment formula will not apply.
- Step 8:** Compute the amount of interest the City reasonably expects to derive from reinvestment of the Bond Redemption Amount plus the Redemption Premium from the first Bond interest payment date after which the prepayment has been received until the redemption date for the Outstanding Bonds.
- Step 9:** Subtract the amount computed pursuant to Step 8 from the amount computed pursuant to Step 7 (*the “Defeasance Requirement”*).
- Step 10.** The administrative fees and expenses associated with the prepayment will be determined by the Administrator and include the costs of computing the prepayment, redeeming Bonds and 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 Bond indenture, a reserve fund credit shall be calculated as a reduction in the applicable reserve fund for

the Outstanding Bonds to be redeemed pursuant to the prepayment (the “*Reserve Fund Credit*”).

Step 12. The Special Tax prepayment 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 (the “*Prepayment Amount*”).

Step 13. From the Prepayment Amount, the amounts computed pursuant to Steps 3, 6, and 9 shall be deposited into the appropriate fund as established under the Indenture and be used to retire Outstanding Bonds or make debt service payments. The amount computed pursuant to Step 5 shall be deposited into the Improvement Fund. The amount computed pursuant to Step 10 shall be retained in the account or fund that is established to pay Administrative Expenses.

Once a full prepayment of a Parcel’s Special Tax obligation has been received, a Notice of Cancellation of Special Tax Lien shall be recorded against the Parcel to reflect the discharge of the Parcel’s obligation to pay the Special Tax. However, a Notice of Cancellation of Special Tax Lien shall not be recorded until all Special Taxes levied on the Parcel in the current or prior Fiscal Years have been collected.

2. *Partial Prepayment*

A partial prepayment may be made in an amount equal to any percentage of full prepayment desired by the party making a partial prepayment, except that the full amount of Administrative Fees and Expenses determined in Step 10 shall be included in the partial prepayment. The Maximum Special Tax that can be levied on a Parcel after a partial prepayment is made shall be equal to the portion of the Maximum Special Tax that was not prepaid. Once a partial prepayment has been received, an Amended Notice of Special Tax Lien shall be recorded against the Parcel to reflect the reduced Special Tax lien for the Parcel, and the Administrator shall update Attachment 2 to show the revised Expected Maximum Special Tax Revenues. However, an Amended Notice of Special Tax Lien shall not be recorded until all Special Taxes levied on the Parcel in the current or prior Fiscal Years have been collected.

I. INTERPRETATION OF RMA

Interpretations may be made by Resolution of the Council to interpret, clarify, and/or revise this RMA to correct any inconsistency, vagueness, or ambiguity as it relates to the Special Tax, method of apportionment, classification of properties, or any definition applicable to the CFD, as long as such correction does not materially affect the levy and collection of Special Taxes. The City, upon the request of an owner of land within the CFD which is not Developed Property, may also amend this RMA in any manner acceptable to the City, by resolution or ordinance following a public hearing, upon the affirmative vote of such owner to such amendment and without the vote of owners of any other land within the CFD, provided such amendment only affects such owner's land. Under no circumstances may such revisions to the RMA decrease the Expected Maximum Special Tax Revenues to a level that will reduce debt service coverage below the Required Coverage.

ATTACHMENT 1

**CITY OF RANCHO CORDOVA
GRANTLINE 208
COMMUNITY FACILITIES DISTRICT No. 2018-1**

TENTATIVE MAP

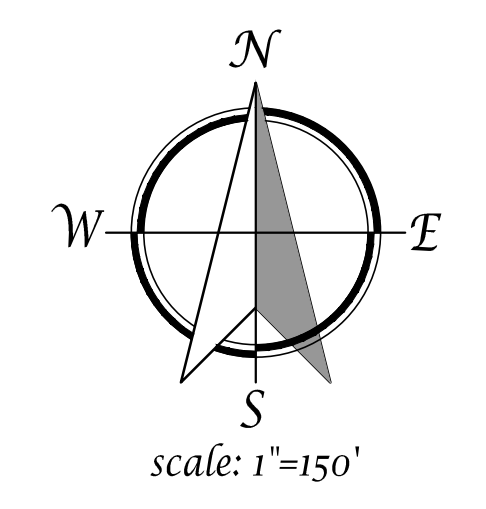
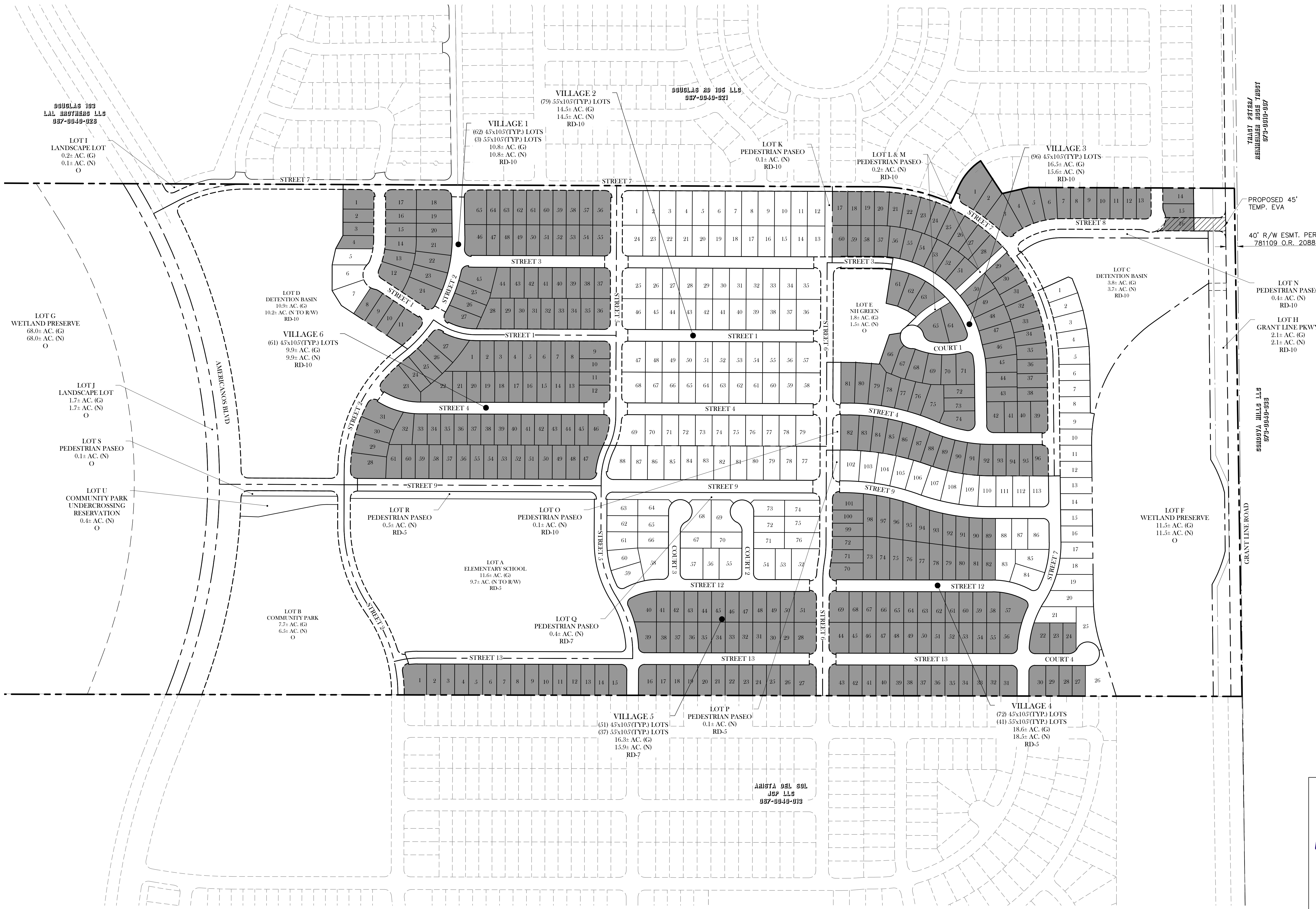
SITE PLAN - COLOR EXHIBIT

GRANTLINE 208

RANCHO CORDOVA, CA

TOTAL	
	45' x 105' - 342 LOTS
	55' x 105' - 160 LOTS

TOTAL : 502



COLOR EXHIBIT
JUNE 27, 2018

TSD ENGINEERING, INC.
expect more.

785 Orchard Drive, Suite #110
Folsom, CA 95630
Phone: (916) 608-0707
Fax: (916) 608-0701

P:\Projects\416-001\02 DWG\C- Civil\FILES\GL208 Color Exhibit.dwg, TSD-intern1, 11:22:07, 06-27-18

ATTACHMENT 2

**City of Rancho Cordova
Grantline 208 Community Facilities District No. 2018-1
Expected Land Uses and Expected Maximum Special Tax Revenues**

Village and Lot Type Category	Expected # of Residential Units	Base Special Tax (FY 2018-19) *	Expected Maximum Special Tax Revenues (FY 2018-19) *
Village 1			
Lot Type A	3	\$2,450	\$7,350
Lot Type B	62	\$2,000	\$124,000
Village 2			
Lot Type A	79	\$2,450	\$193,550
Lot Type B	0	\$2,000	\$0
Village 3			
Lot Type A	12	\$2,450	\$29,400
Lot Type B	96	\$2,000	\$192,000
Village 4			
Lot Type A	66	\$2,450	\$161,700
Lot Type B	58	\$2,000	\$116,000
Village 5			
Lot Type A	0	\$2,450	\$0
Lot Type B	65	\$2,000	\$130,000
Village 6			
Lot Type A	0	\$2,450	\$0
Lot Type B	61	\$2,000	\$122,000
Expected Maximum Special Tax Revenues, FY 2018-19			\$1,076,000

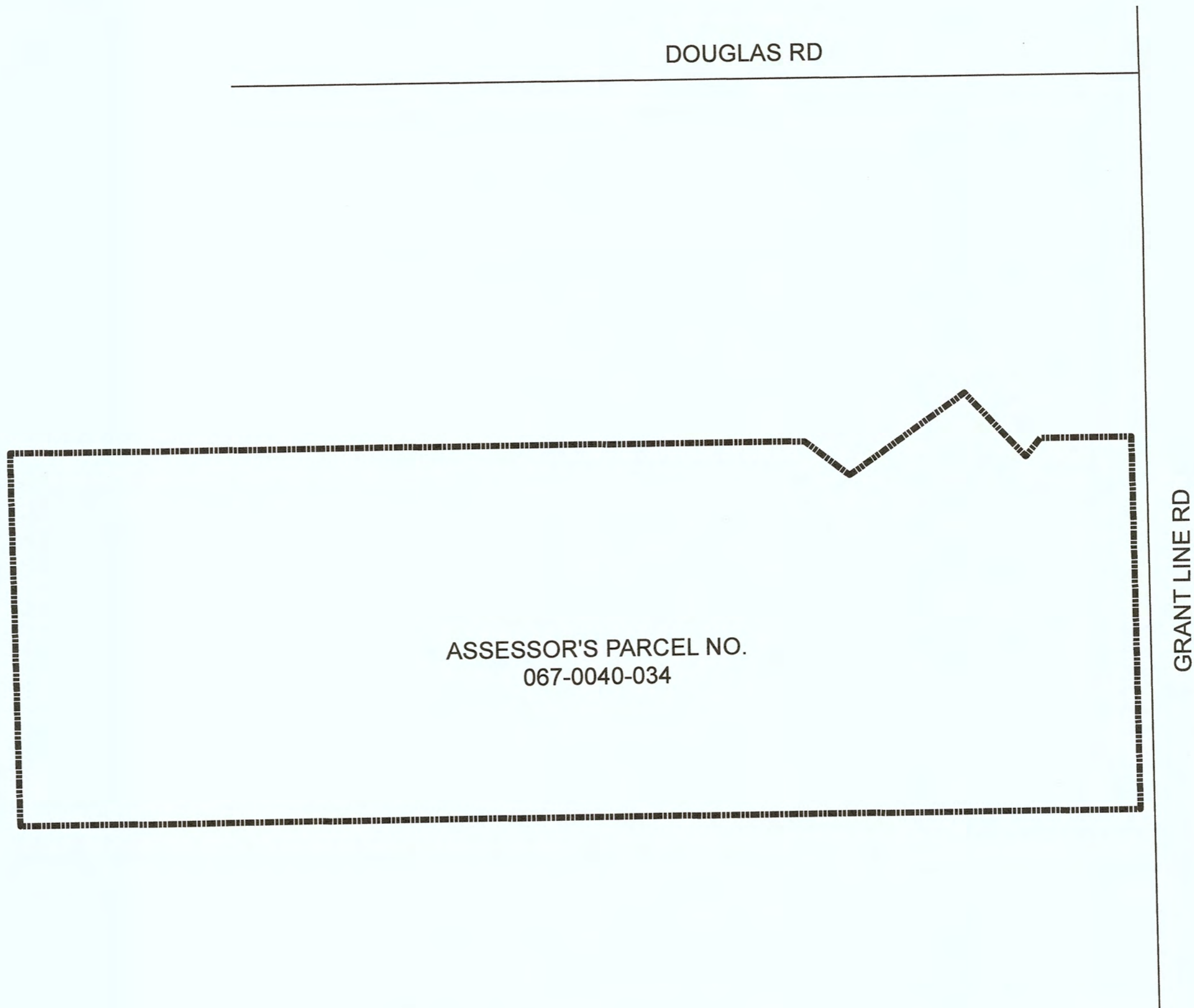
* On July 1, 2019 and each July 1 thereafter, the Base Special Tax and Expected Maximum Special Tax Revenues shall be increased by 2% of the amount in effect in the previous Fiscal Year.

Updated: 10/9/2019

APPENDIX E

*Boundary Map of
CFD No. 2018-1*

PROPOSED BOUNDARY OF
CITY OF RANCHO CORDOVA
GRANTLINE 208
COMMUNITY FACILITIES DISTRICT NO. 2018-1
COUNTY OF SACRAMENTO, STATE OF CALIFORNIA



CLERK'S MAP STATEMENT

FILED IN THE OFFICE OF THE CITY CLERK OF THE CITY OF RANCHO CORDOVA THIS 11 DAY OF September 2018.

Stacy Leiber
CITY CLERK OF THE CITY OF RANCHO CORDOVA

CLERK'S MAP STATEMENT

I HEREBY CERTIFY THAT THE AREA SHOWN ON THIS MAP OF THE PROPOSED COMMUNITY FACILITIES DISTRICT NO. 2018-1, CITY OF RANCHO CORDOVA, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, WAS APPROVED BY THE CITY COUNCIL OF THE CITY OF RANCHO CORDOVA AT A REGULARLY SCHEDULED MEETING THEREOF, HELD ON THE 20 DAY OF August 2018. BY ITS RESOLUTION NO. 102-2018

Stacy Leiber
CITY CLERK OF THE CITY OF RANCHO CORDOVA

COUNTY RECORDER'S FILING STATEMENT

FILED THIS 13th DAY OF September 2018. AT THE HOUR OF 8:52 O'CLOCK A.M. IN BOOK 126 OF MAPS OF ASSESSMENT AND COMMUNITY FACILITIES DISTRICTS PAGE NO. 22 IN THE OFFICE OF THE COUNTY RECORDER IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

DONNA ALLRED
COUNTY RECORDER OF THE COUNTY OF SACRAMENTO, CALIFORNIA

BY: D. Bryant
DEPUTY

FILE: 201809130477



HARRIS & ASSOCIATES
22 EXECUTIVE PARK, SUITE 200
IRVINE, CALIFORNIA 92614
800-827-4901

PROPOSED CFD BOUNDARY MAP

City of Rancho Cordova
Grantline 208
Community Facilities District No. 2018-1
County of Sacramento, California

Sheet 1 of 1

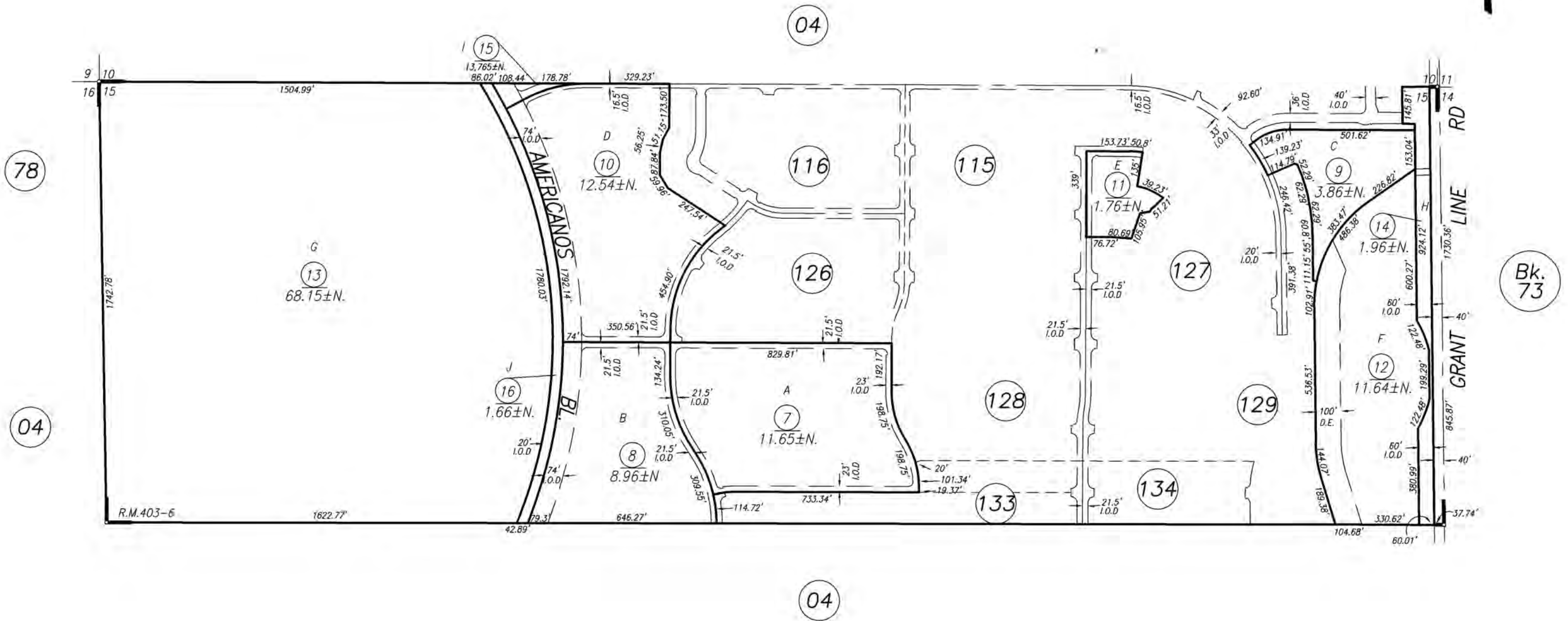
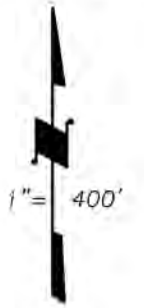
APPENDIX F

*Assessor's Parcel Maps for
Fiscal Year 2021-22*

DISCLAIMER: ASSESSORS PARCELS ARE FOR TAX ASSESSMENT PURPOSES ONLY AND DO NOT INDICATE EITHER PARCEL LEGALITY OR A VALID BUILDING SITE. THE COUNTY OF SACRAMENTO ASSUMES NO RESPONSIBILITY ARISING FROM USE OF THIS INFORMATION.

POR. POR. SEC.15, T.8N., R.7E., M.D.B.& M.

067-108



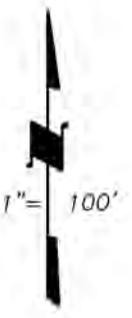
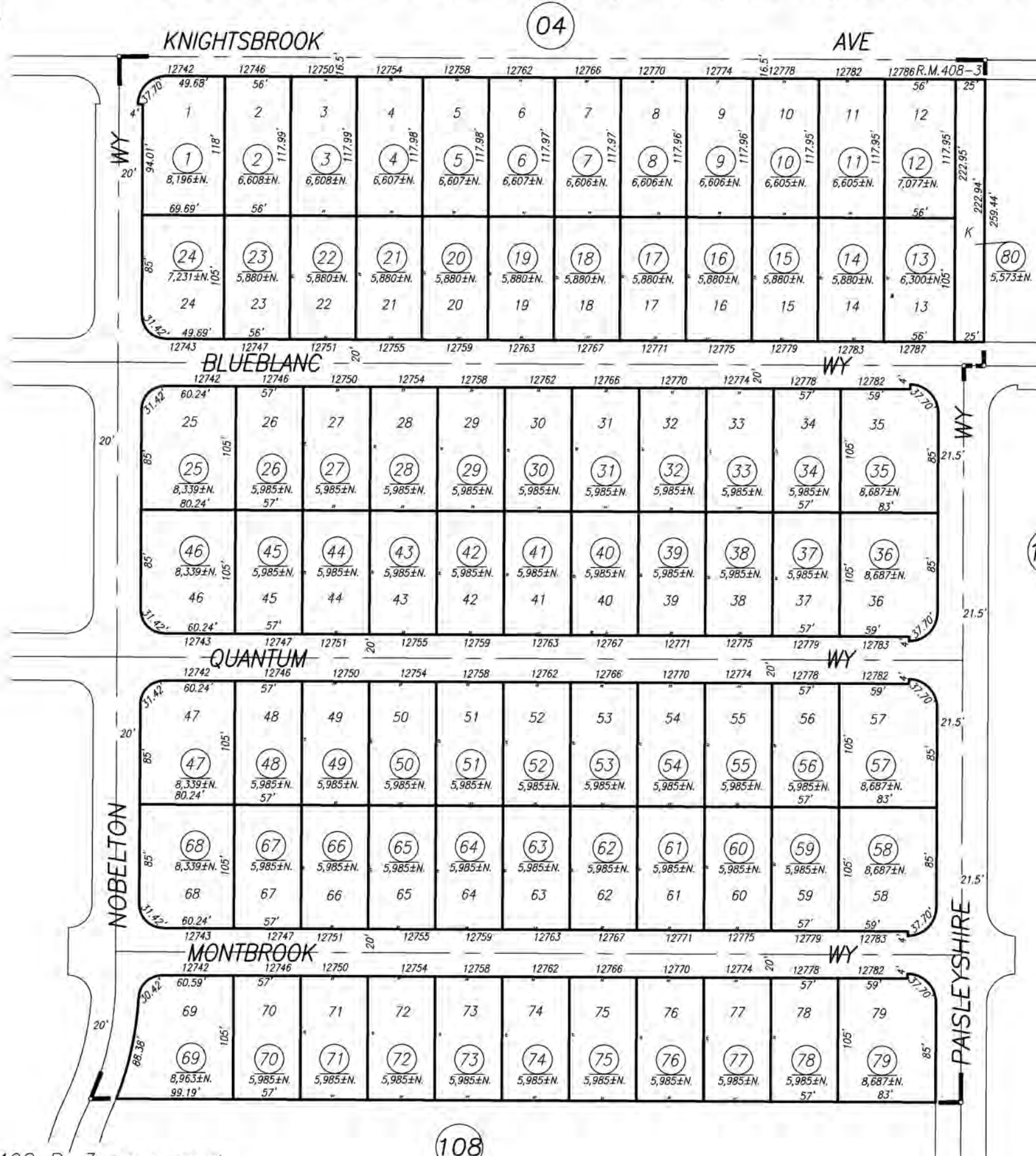
CITY OF RANCHO CORDOVA
Assessor's Map Bk. 067 Pg. 108
County of Sacramento, Calif.

May 20TH., 2021

POR. SEC.10 & POR. SEC.15, T.8N., R.7E., M.D.B.& M.

067-115

DISCLAIMER: ASSESSORS PARCELS ARE FOR TAX ASSESSMENT PURPOSES ONLY AND DO NOT INDICATE EITHER PARCEL LEGALITY OR A VALID BUILDING SITE. THE COUNTY OF SACRAMENTO ASSUMES NO RESPONSIBILITY ARISING FROM USE OF THIS INFORMATION.



116

108

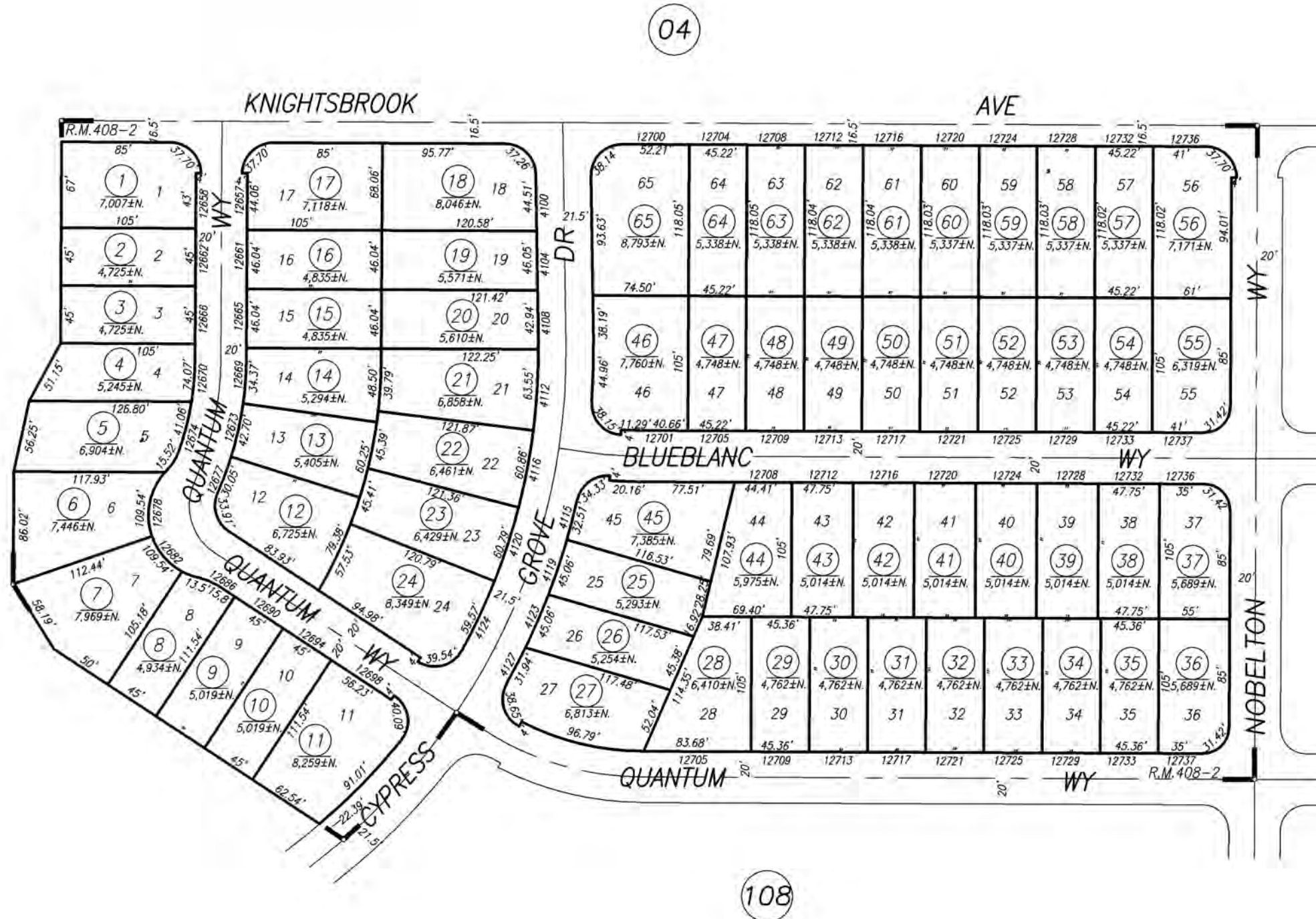
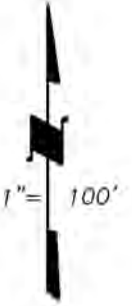
108

108

DISCLAIMER: ASSESSORS PARCELS ARE FOR TAX ASSESSMENT PURPOSES ONLY AND DO NOT INDICATE EITHER PARCEL LEGALITY OR A VALID BUILDING SITE. THE COUNTY OF SACRAMENTO ASSUMES NO RESPONSIBILITY ARISING FROM USE OF THIS INFORMATION.

POR. SEC.10 & POR. SEC.15, T.8N., R.7E., M.D.B.& M.

067-116



108

04

115

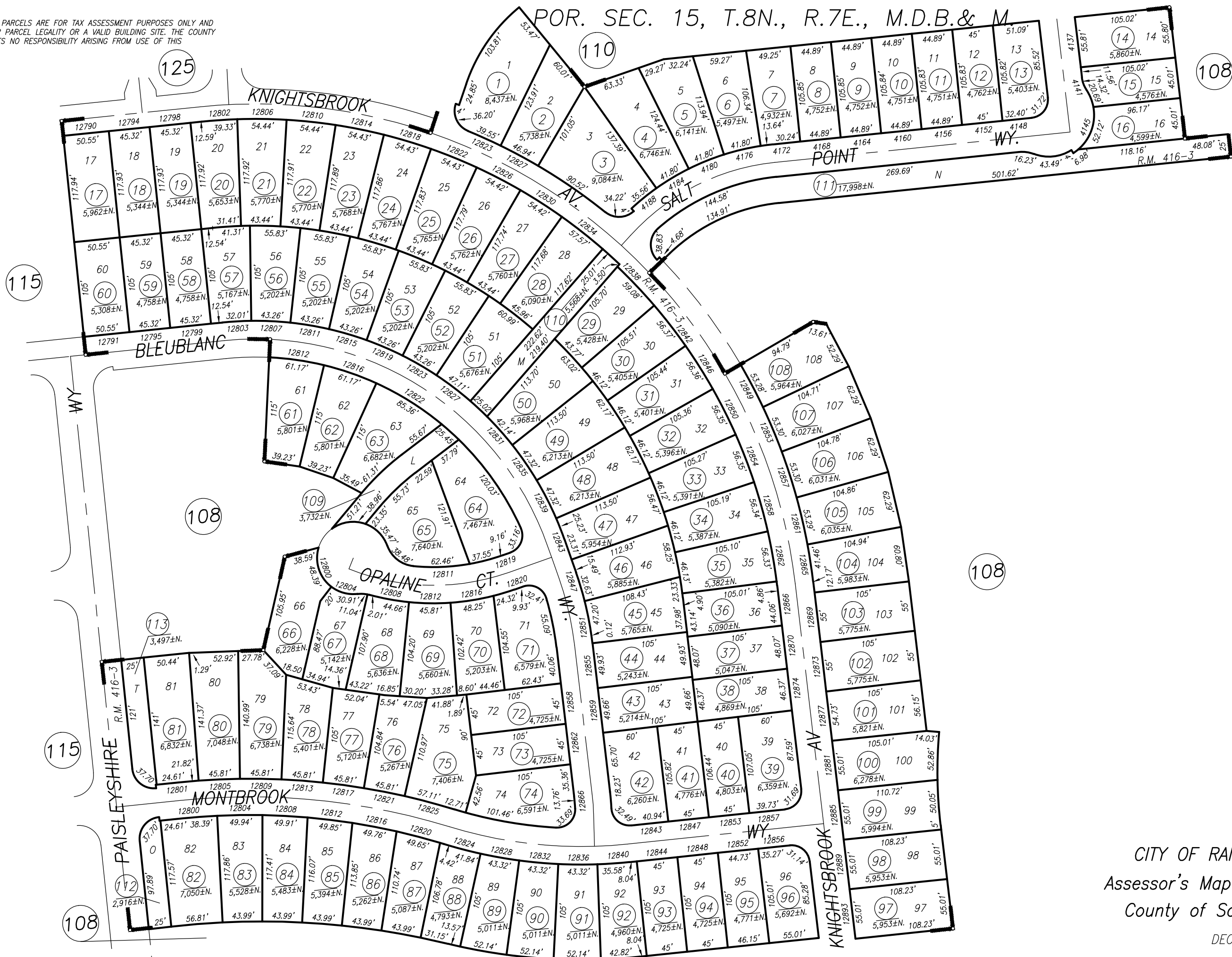
108

DISCLAIMER: ASSESSORS PARCELS ARE FOR TAX ASSESSMENT PURPOSES ONLY AND DO NOT INDICATE EITHER PARCEL LEGALITY OR A VALID BUILDING SITE. THE COUNTY OF SACRAMENTO ASSUMES NO RESPONSIBILITY ARISING FROM USE OF THIS INFORMATION.

POR. SEC. 15, T.8N., R.7E., M.D.B.& M

067-127

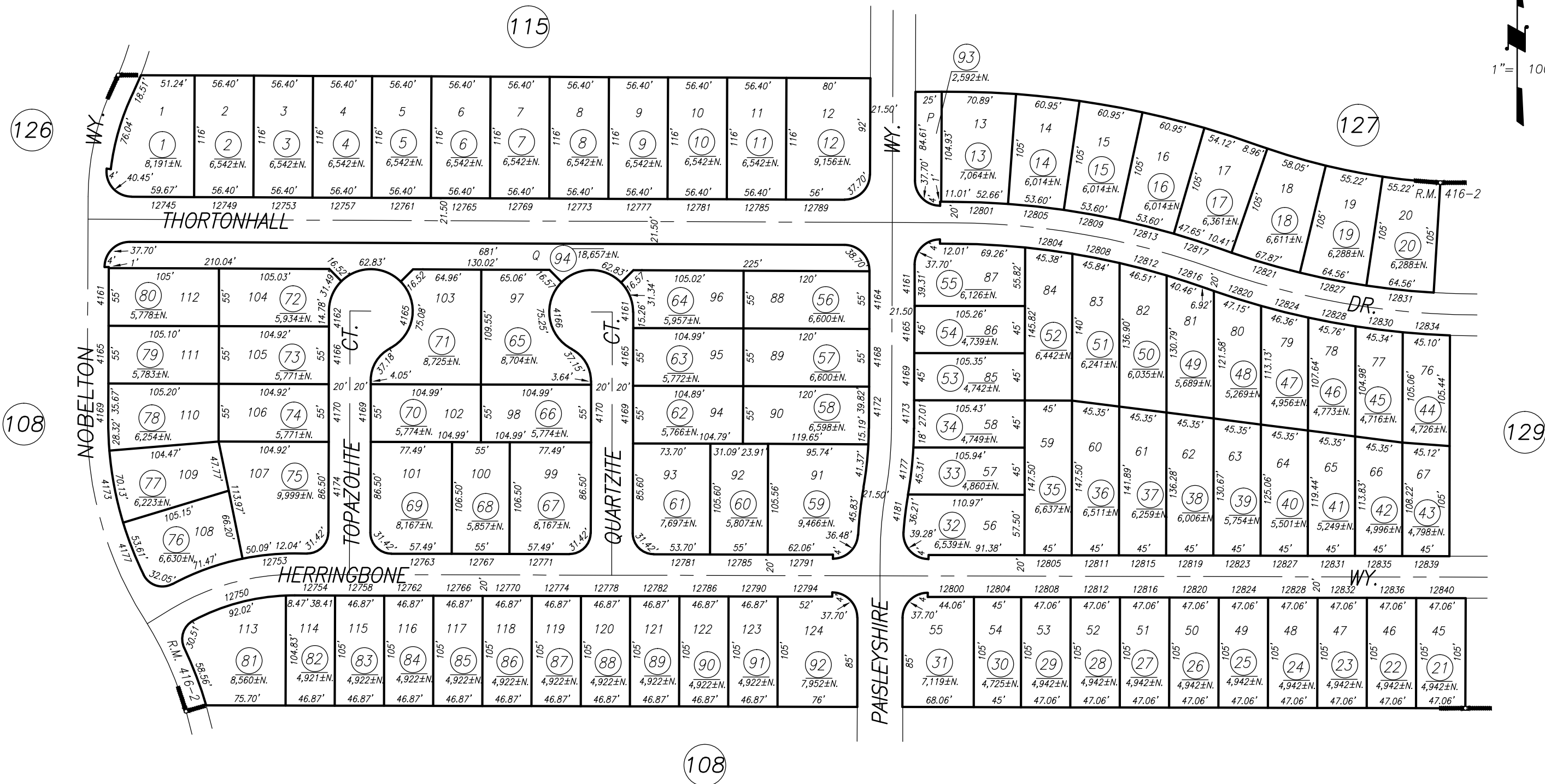
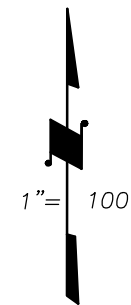
Grantline 208, Village 3, R.M. Bk.416 Pg.3 (09-05-2019)



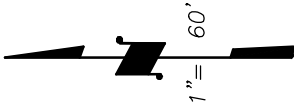
CITY OF RANCHO CORDOVA
Assessor's Map Bk. 067 Pg. 127
County of Sacramento, Calif.

DEC 17th, 2019

DISCLAIMER: ASSESSORS PARCELS ARE FOR TAX ASSESSMENT PURPOSES ONLY AND DO NOT INDICATE EITHER PARCEL LEGALITY OR A VALID BUILDING SITE. THE COUNTY OF SACRAMENTO ASSUMES NO RESPONSIBILITY ARISING FROM USE OF THIS INFORMATION.



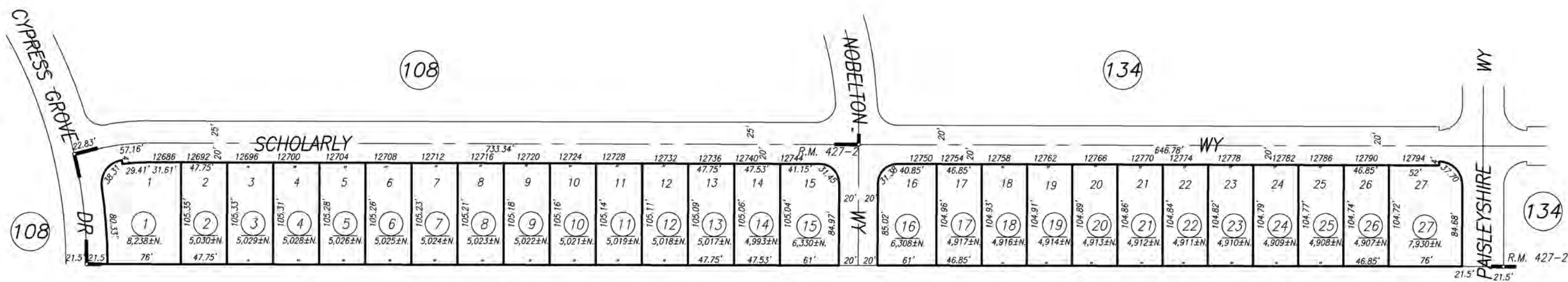
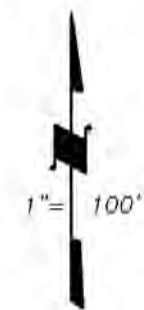
DISCLAIMER: ASSESSORS PARCELS ARE FOR TAX ASSESSMENT PURPOSES ONLY AND DO NOT INDICATE EITHER PARCEL LEGALITY OR A VALID BUILDING SITE. THE COUNTY OF SACRAMENTO ASSUMES NO RESPONSIBILITY ARISING FROM USE OF THIS INFORMATION.



DISCLAIMER: ASSESSORS PARCELS ARE FOR TAX ASSESSMENT PURPOSES ONLY AND DO NOT INDICATE EITHER PARCEL LEGALITY OR A VALID BUILDING SITE. THE COUNTY OF SACRAMENTO ASSUMES NO RESPONSIBILITY ARISING FROM USE OF THIS INFORMATION.

POR. POR. SEC.15, T.8N., R.7E., M.D.B.& M.

067-133



108

108

134

134

04

CITY OF RANCHO CORDOVA
 Assessor's Map Bk. 067 Pg. 133
 County of Sacramento, Calif.

CLAIMER: ASSESSORS PARCELS ARE FOR TAX ASSESSMENT PURPOSES ONLY AND NOT INDICATE EITHER PARCEL LEGALITY OR A VALID BUILDING SITE. THE COUNTY OF SACRAMENTO ASSUMES NO RESPONSIBILITY ARISING FROM USE OF THIS INFORMATION.

067-134

POR. POR. SEC.15, T.8N., R.7E., M.D.B.& M.

