



# **FORMATION REPORT**

## **San Juan Bautista Community Facilities District 2018-01 (Maintenance Services)**

**Fiscal Year 2018/19**

For the

**CITY OF SAN JUAN BAUTISTA**

**San Benito County, California**

August 21, 2018



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# INTRODUCTION

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The City Council (the “Council”) of the City of San Juan Bautista (the “City”) did, pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended (the “Act”), on August 21, 2018, adopt a resolution entitled “Resolution of the City of San Juan Bautista City Council, Intent to Establish the City of San Juan Bautista Community Facilities District 2018-01,(Maintenance Services)”, (the “Resolution of Intention”). In the Resolution of Intention, the Council expressly ordered the preparation of a written report (the “Report”), for the proposed "City of San Juan Bautista Community Facilities District 2018-01, (the “CFD” or “District”).

The Resolution of Intention ordered the Report and directed that the Report generally contain the following:

(a) A description of the authorized services (the “Services”), by type, which will be required to adequately meet the needs of the CFD.

(b) An estimate of the fair and reasonable cost of the Services, including incidental expenses in connection therewith, and all other related costs.

For particulars, reference is made to the Resolution of Intention for the CFD, as previously approved and adopted by the Council.

## **DESCRIPTION OF SERVICES TO BE FUNDED BY THE CFD**

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The Services include but are not limited to the list shown below ("Services" shall have the meaning given that term in the Mello-Roos Community Facilities Act of 1982), and are proposed to be funded by the CFD, including all related administrative costs, expenses and related reserves for the proper and continued maintenance of same. Please see Appendix B for a more detailed list of all Services.

- Landscape Maintenance
- Park Maintenance
- Recreational Equipment
- Street and Sidewalk Maintenance
- Curb & Gutter Maintenance
- Street Lighting Maintenance
- Storm Drain Maintenance
- Sound Wall Maintenance
- Fencing
- Graffiti Abatement
- Mosquito Abatement

The Special Taxes may be collected and set-aside in designated funds, collected over several years, that may be used by the City to fund future repairs and/or replacement of the facilities/improvements described above, as determined by the City.

## **PROPOSED BOUNDARIES OF THE CFD**

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The boundaries of the CFD are proposed to be the boundaries of the City of San Juan Bautista. The District is proposed to be initially formed with the Copperleaf and Rancho Vista developments. The future annexation area of the CFD is proposed to be the City boundaries. The Copperleaf development is located north of Old San Juan-Hollister Road, south of Highway 156, and east of Monterey and Alameda State Highway. When developed, it is proposed to consist of 45 single family residential parcels. The Rancho Vista development is located west of San Juan Highway on the north end of the City. When developed, it is proposed to consist of 85 single family residential parcels. The Rancho Vista project will be developed in Phases. The first four Phases will contain 47 single family residential parcels and the remaining two Phases will contain 38 single family residential parcels. Please refer to Appendix A of this Report for a copy of the District Boundary Map, which shows the boundaries of the future annexation area (City boundaries) and the boundaries of each of the above mentioned developments.

## COSTS OF SERVICES TO BE MAINTAINED BY THE CFD

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The estimated costs of providing the Services to the parcels within the CFD are shown on the following pages. The cost estimates and Maximum Special Tax shown below shall be adjusted annually by the greater of the Bureau of Labor Statistics, Consumer Price Index, All Urban Consumers ("CPI"), for the month of February, for the San Francisco/Oakland/San Jose area, or 2%. Should the Bureau of Labor Statistics revise or discontinue the preparation of such index, the City reserves the right to use such revised index or a comparable system to determine fluctuations in the annual cost of living.

## CFD BUDGET

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The budget, cost estimates and capital reserve information for the two current Tax Zones within the CFD are shown on the following pages.

### Tax Zone 1 (Copperleaf) Cost Estimate

Item	Cost/Year
<b>Maintenance</b>	
Landscape Maintenance	\$18,729.24
Street Lighting Maintenance	810.00
Street Maintenance	<u>1,184.58</u>
<b>Total Maintenance Cost</b>	<b>\$20,723.82</b>
<b>Administrative Cost</b>	<b>\$4,088.77</b>
<b>Reserves</b>	
Operating Reserve (10% of Total Maintenance Cost)	\$2,072.38
Annual Capital Replacement Reserve	<u>11,595.43</u>
<b>Total Reserves</b>	<b>\$13,667.81</b>
<b>Total Maintenance, Administrative and Reserve Costs</b>	<b>\$38,480.40</b>
<b>Total Maximum Special Tax Amount - Fiscal Year 2018/19</b>	<b>\$38,480.40</b>

## Tax Zone 1 (Copperleaf) Maintenance Costs

Item	Unit	Quantity	Cost/Unit	Cost/Year
<b><u>Landscape Maintenance</u></b>				
Public Park (Parcel A)	SF	34,550	\$0.12	\$4,146
Utilities - (Water costs for Park, Park Strip & Slopes)*	GL	749,329	\$6.35	\$4,758
Street Trees	EA	88	\$10.00	\$880
Park Strip (Old San Juan Road)	SF	5,475	\$0.12	\$657
Detention Basin	SF	43,000	\$0.12	\$5,160
Irrigated Slopes on Parcel A and Lots 19-23	SF	4,900	\$0.12	\$588
Chain Link Fencing - (Public Park & Detention Basin)	LF	800	\$0.10	\$80
Maintenance Road	SF	950	\$1.00	\$950
Sound Wall - Painting & Graffiti Abatement	SF	10,620	\$0.10	\$1,062
Sound Wall - Tile Replacement	LF	1,180	\$0.10	\$118
Mosquito Abatement	Mo	6	\$55.00	\$330
<b>Total Landscape Maintenance Cost</b>				<b>\$18,729.24</b>
<b><u>Street Lighting Maintenance &amp; Utilities</u></b>				
Throughout Interior of Tract	EA	27	\$30.00	\$810
<b>Total Street Lighting Maintenance Cost</b>				<b>\$810.00</b>
<b><u>Street Maintenance</u></b>				
Throughout Interior of Tract - Street Sweeping	SF	65,080	\$0.02	\$1,125
Throughout Interior of Tract - Storm Drains	EA	8	\$7.50	\$60
<b>Total Public Street Maintenance Cost</b>				<b>\$1,184.58</b>
<b>Total Maintenance Cost</b>				<b>\$20,723.82</b>

## Tax Zone 1 (Copperleaf) Administrative Costs

Item	Cost/Year
<b><u>Administrative Cost</u></b>	
City Personnel Costs	\$2,072.38
Annual District Administration	2,002.50
San Benito County Collection Charges	13.50
Rounding Adjustment	<u>0.39</u>
<b>Total Administrative Cost</b>	<b>\$4,088.77</b>

## Tax Zone 1 (Copperleaf) Annual Capital Replacement Reserve Information

Item	Unit	Quantity	Cost/Unit	Cycle	Cost/Year
<b><u>Landscape Improvements</u></b>					
Irrigation Controllers	EA	2.00	\$3,500.00	15	\$466.67
Sound Wall (Parcel A & Lots 10-23)	SF	10,620.00	\$1.50	50	\$318.60
Chain Link Fencing - (Public Park and Detention Basin)	LF	800.00	\$12.00	30	\$320.00
Community Cluster Mailboxes	EA	4.00	\$2,500.00	25	<u>\$400.00</u>
<b>Total Landscape Improvements Replacement Cost</b>					<b>\$1,505.26</b>
<b><u>Street Lighting Improvements</u></b>					
Street Light Pole <sup>3</sup>	EA	27	\$3,000.00	75	\$300.00
Street Light LED Power Module	EA	27	\$150.00	5	\$810.00
Street Light LED Optical Module	EA	27	\$750.00	20	<u>\$1,012.50</u>
<b>Total Street Lighting Improvements Replacement Cost</b>					<b>\$2,122.50</b>
<b><u>Public Street and Sidewalk Improvements</u></b>					
Streets - Slurry Seal/Chip Seal	SY	7,232	\$5.70	25	\$1,648.97
Streets - Crack Repair	SY	7,232	\$2.40	25	\$694.30
Streets - Overlay	SY	7,232	\$27.00	35	\$5,579.22
Sidewalks - Repair/Replace as needed <sup>4</sup>	SF	16,135	\$7.00	50	<u>\$45.18</u>
<b>Total Street and Sidewalk Improvements Replacement Cost</b>					<b>\$7,967.67</b>
<b>Total Annual Replacement Cost</b>					<b>\$11,595.43</b>

<sup>1</sup> Park landscaping calculation calls for replacing 20% of the landscaping every ten years.

<sup>2</sup> Street Tree calculation calls for replacing one tree every six years.

<sup>3</sup> Street Light Pole calculation calls for replacing one pole every ten years. Poles have a standard useful life of 75 years. Not all will need replacing at the same time.

<sup>4</sup> Sidewalk Repair/Replacement calculation calls for replacing 2% per year. Sidewalks have a standard useful life of 50 years. As repairs or replacement take place over the years (at 2% per year), the sidewalks should remain in good condition.

**Tax Zone 2 (Rancho Vista) Cost Estimate**

Item	Cost/Year
<b>Maintenance</b>	
Landscape Maintenance	\$30,099.77
Street Lighting Maintenance	1,110.00
Street Maintenance	<u>4,133.94</u>
<b>Total Maintenance Cost</b>	<b>\$35,343.71</b>
<b>Administrative Cost</b>	<b>\$5,561.97</b>
<b>Reserves</b>	
Operating Reserve (10% of Total Maintenance Cost)	\$3,534.37
Annual Capital Replacement Reserve	<u>48,306.85</u>
<b>Total Reserves</b>	<b>\$51,841.22</b>
<b>Total Maintenance, Administrative and Reserve Costs</b>	<b>\$92,746.90</b>
<b>Total Maximum Special Tax Amount - Fiscal Year 2018/19</b>	<b>\$92,746.90</b>



## Tax Zone 2 (Rancho Vista) Maintenance Costs

Item	Unit	Quantity	Cost/Unit	Cost/Year
<b><u>Landscape Maintenance</u></b>				
Park/Tot Lot	SF	5,227.20	\$0.12	\$627
Landscaped Areas	SF	104,979.60	\$0.12	\$12,598
Utilities - (Water costs for Park and Landscaped Areas)*	GL	144,183.60	\$6.35	\$916
Trails	SF	7,300.00	\$0.05	\$365
Fitness Stations	MO	12	\$20.00	\$240
Play Structures	MO	12	\$10.00	\$120
Street Trees	EA	166	\$10.00	\$1,660
Detention Basin	SF	33,976.80	\$0.12	\$4,077
Lift Station & Pump	Mo	12	\$450.00	\$5,400
Non-Irrigated Slopes	SF	33,105.60	\$0.06	\$1,986
Wood/Wire Fencing	LF	2,237.00	\$0.07	\$157
Split-Rail Wood Fencing	LF	1,275.00	\$0.07	\$89
Sound Wall - Painting & Graffiti Abatement	SF	18,650.00	\$0.10	<u>\$1,865</u>
<b>Total Landscape Maintenance Cost</b>				<b>\$30,099.77</b>
<b><u>Street Lighting Maintenance &amp; Utilities</u></b>				
Throughout Interior of Tract	EA	37	\$30.00	<u>\$1,110</u>
<b>Total Street Lighting Maintenance Cost</b>				<b>\$1,110.00</b>
<b><u>Street Maintenance</u></b>				
Throughout Interior of Tract - Street Sweeping	SF	233,156.00	\$0.02	\$4,029
Throughout Interior of Tract - Storm Drains	EA	14	\$7.50	<u>\$105</u>
<b>Total Public Street Maintenance Cost</b>				<b>\$4,133.94</b>
<b>Total Maintenance Cost</b>				<b>\$35,343.71</b>

## Tax Zone 2 (Rancho Vista) Administrative Costs

Item	Cost/Year
<b><u>Administrative Cost</u></b>	
City Personnel Costs	\$3,534.37
Annual District Administration	2,002.50
San Benito County Collection Charges	25.50
Rounding Adjustment	<u>(0.40)</u>
<b>Total Administrative Cost</b>	<b>\$5,561.97</b>

## Tax Zone 2 (Rancho Vista) Annual Capital Replacement Reserve Information

Item	Unit	Quantity	Cost/Unit	Cycle	Cost/Year
<b><u>Landscape Improvements</u></b>					
Irrigation Controllers	EA	2.00	\$3,500.00	15	\$466.67
Sound Wall	SF	18,650.00	\$1.50	50	\$559.50
Wood/Wire Fencing	LF	2,237.00	\$12.00	15	\$1,789.60
Split-Rail Wood Fencing	LF	1,275.00	\$12.00	15	\$1,020.00
Fitness Stations	EA	4.00	\$5,500.00	12	\$1,833.33
Play Structure (2-5 year olds)	EA	1.00	\$19,500.00	12	\$1,625.00
Play Structure (5-12 year olds)	EA	1.00	\$28,500.00	12	\$2,375.00
Community Cluster Mailboxes	EA	7.00	\$2,500.00	25	\$700.00
Lift Station Controls	EA	1.00	\$5,000.00	7	\$714.29
Lift Station Pump	EA	2.00	\$8,500.00	10	\$1,700.00
Lift Station Back-Up Pump	EA	1.00	\$8,500.00	20	\$425.00
Lift Station Well and Piping	EA	1.00	\$150,000.00	40	<u>\$3,750.00</u>
<b>Total Landscape Improvements Replacement Cost</b>					<b>\$16,958.39</b>
<b><u>Street Lighting Improvements</u></b>					
Street Light Pole <sup>3</sup>	EA	37	\$3,000.00	75	\$300.00
Street Light LED Power Module	EA	37	\$150.00	5	\$1,110.00
Street Light LED Optical Module	EA	37	\$750.00	20	<u>\$1,387.50</u>
<b>Total Street Lighting Improvements Replacement Cost</b>					<b>\$2,797.50</b>
<b><u>Public Street and Sidewalk Improvements</u></b>					
Streets - Slurry Seal/Chip Seal	SY	25,949.54	\$5.70	25	\$5,916.50
Streets - Crack Repair	SY	25,949.54	\$2.40	25	\$2,491.16
Streets - Overlay	SY	25,949.54	\$27.00	35	\$20,018.22
Sidewalks - Repair/Replace as needed <sup>4</sup>	SF	44,677.00	\$7.00	50	<u>\$125.10</u>
<b>Total Street and Sidewalk Improvements Replacement Cost</b>					<b>\$28,550.97</b>
<b>Total Annual Replacement Cost</b>					<b>\$48,306.85</b>

# RATE AND METHOD OF APPORTIONMENT

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The City of San Juan Bautista (the “City”) initiated proceedings to establish Community Facilities District No. 2018-01 on August 21, 2018, by Resolution No. 18-XX (herein after referred to as “the District” or “CFD”) for the purpose of funding the ongoing operation, maintenance and servicing of certain improvements, as detailed in this Rate and Method of Apportionment of Special Tax (herein after referred to as the “RMA”).

Properties within the CFD’s future annexation area shall be annexed into the CFD as new development occurs, unless exempted by law or by the provisions set forth in Section F below. The CFD’s future annexation area shall be defined as the boundaries of the City. A boundary map showing the future annexation area, as well as diagrams showing all Parcels currently within the CFD, are included in Exhibit A of this RMA. In compliance with the proceedings governing the formation of the CFD and according to the provisions of the adoption of this RMA, the Special Tax is proposed to be levied on each taxable Parcel within the boundaries of the CFD, except those exempted by law or the express provisions set forth in this RMA.

## A. GENERAL DEFINITIONS

The terms hereinafter set forth have the following meaning:

**“Acre” or “Acreage”** means the land area of an Assessor’s Parcel as shown on County records, such as an Assessor’s Parcel Map or secured roll data, or if the land area is not shown on an Assessor’s Parcel Map, the land area shown on the applicable Final Subdivision Map, condominium plan, record of survey, or other recorded document creating or describing the Parcel. If the preceding maps for a land area are not available, the Acreage of such land area may be determined utilizing available spatial data and Geographic Information Systems (GIS). The square footage of an Assessor’s Parcel is equal to the Acreage multiplied by 43,560.

**“Act”** means the Mello-Roos Community Facilities Act of 1982, as amended, being Chapter 2.5, Division 2 of Title 5 of the Government Code of the State of California.

**“Administrative Expenses”** means the actual or reasonably estimated costs incurred by the Administrator acting for and on behalf of the CFD, to determine, levy and collect the Special Taxes, in responding to public inquiries regarding the Special Taxes, including general administrative costs, fees of consultants and legal counsel providing services related to the administration of the CFD; any amounts estimated or advanced by the City or CFD for any other administrative purposes; and, any other costs required to administer the CFD as determined by the Administrator.

**“Administrator”** means an official of the City, or designee thereof, responsible for determining the Special Tax Requirement and providing for the levy and collection of the Special Taxes.

**“Annual Tax Escalation Factor”** means in each Fiscal Year following the Base Year, an increase in the Maximum Special Tax in effect in the prior Fiscal Year by an amount equal to the greater of (i) the annual average Consumer Price Index (CPI), for San Francisco-Oakland-Hayward, All Urban Consumers (CPI-U) as published by the Department of Labor’s Bureau of Labor Statistics, or (ii) two percent (2.0%). If the CPI listed above is no longer published, the Administrator shall select a new index that is reasonably comparable to the CPI that is no longer published for purposes of calculating the Annual Tax Escalation Factor.

**“Annual Special Tax”** means the total Special Tax levied against a Taxable Property in the CFD in a fiscal year.

**“Assessor’s Parcel”** means a lot or parcel shown in an Assessor’s Parcel Map with an assigned Assessor’s Parcel Number.

**“Assessor’s Parcel Map”** means an official map of the County Assessor of the County designating lots or parcels by an Assessor’s Parcel Number.

**“Assessor’s Parcel Number” or “APN”** means a unique number assigned to an Assessor’s Parcel by the County Assessor for purposes of identifying a property.

**“Authorized Services”** means those authorized maintenance activities and/or services, and expenses that may be funded by the CFD pursuant to the Act as amended, including, without limitation, those services authorized to be funded by the CFD as set forth in the documents adopted by the City Council at the time the CFD was formed.

**“Base Year”** means the Fiscal Year beginning July 1, 2018 and ending June 30, 2019.

**“Building Permit”** means a single permit or set of permits required to construct an entire residential or non-residential structure, which is issued by the City prior to July 1st preceding the Fiscal Year in which the Special Tax is being levied.

**“Capital Replacement Reserve Fund”** means a fund that shall be maintained for the CFD for each Fiscal Year to provide for the accumulation and holding of funds for long-term capital projects, asset replacement, or other large anticipated expenditures.

**“CFD”** means the City of San Juan Bautista Community Facilities District No. 2018-01.

**“City”** means the City of San Juan Bautista.

**“City Council”** means the City Council of the City, acting as the legislative body of the CFD.

**“City Manager”** means the City Manager of the City of San Juan Bautista or his or her designee.

**“Commercial Property”** means, in any fiscal year, all Developed Property for which a building permit or use permit has been issued for a commercial establishment which includes, but is not limited to, retail stores, clothing stores, book stores, convenience stores, drug stores, professional services (i.e., barber shops, dry cleaners), restaurants, supermarkets, hospitals, movie theaters, appliance and electronics stores, home supply stores, auto parts stores, and other retail uses. The City shall make the determination if a Parcel is Commercial Property.

**“County”** means the County of San Benito, State of California.

**“County Assessor”** means the Assessor of the County or his or her designee.

**“County Recorder”** means the Recorder of the County or his or her designee.

**“Developed Property”** means all Taxable Property for which a building permit was issued prior to the July 1st preceding the Fiscal Year in which the Special Tax is being levied.

**“Dwelling Unit”** means each separate residential dwelling unit that comprises an independent facility capable of conveyance or rental separate from adjacent residential dwelling units.

**“Exempt Property”** means all Assessors’ Parcels that are exempt from the Special Tax pursuant to law or Section F herein.

**“Final Subdivision Map”** means a subdivision of property creating residential or non-residential buildable lots by recordation of a Final Subdivision Map or Parcel Map pursuant to the Subdivision Map Act (California Government Code Section 66410 et seq.), or recordation of a condominium plan pursuant to the California Civil Code 1352, that creates individual lots for which building permits may be issued without further subdivision.

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

**“Hotel Property”** means, in any fiscal year, a Developed Property for which a building permit or use permit has been issued for a structure that constitutes a place of lodging providing sleeping accommodations and related facilities for travelers.

**“Industrial Property”** means, in any fiscal year, a Developed Property for which a building permit or use permit has been issued for construction of an industrial, manufacturing, or warehousing structure. The City shall make the determination if a Parcel is Industrial Property.

**“Multi-Family Property”** means, in any fiscal year, all Parcels of Developed Property for which a building permit or use permit has been issued for construction of a residential structure with five (5) or more Units that share a single Assessor’s Parcel number, all of which are offered for rent to the general public and cannot be purchased by individual homebuyers.

**“Maximum Special Tax”** means the Maximum Special Tax, determined in accordance with Section C, which may be levied in any fiscal year on any Assessor’s Parcel of Taxable Property.

**“Operating Fund”** means a fund that shall be maintained for the CFD each Fiscal Year to provide for the maintenance and administration of the CFD, including a reserve fund to pay for delinquencies in the payment of Special Taxes.

**“Operating Fund Requirement”** means, for any Fiscal Year, an amount equal to costs associated with providing the Authorized Services and managing the CFD. In no event shall the Operating Fund Requirement in any Fiscal Year exceed the Special Tax Requirement for the CFD, without crediting the property owner’s annual special tax levy in an amount equal to the funds available that are in excess of the Special Tax Requirement.

**“Operating Reserve Fund”** means the amount held in a fund that is used to pay for delinquencies in the payment of Special Taxes and any insufficiencies in funds to pay maintenance and administrative costs of the CFD.

**“Proportionately”** means for Taxable Property that the ratio of the Annual Special Tax to the Maximum Special Tax is equal for all Taxable Property levied within each parcel classification as identified in Tables 1 and 2 herein and within the boundaries of the CFD.

**“Public Property”** means any property within the boundaries of the CFD which (i) is owned by a public agency or expected to be owned by the federal government, State of California, County, City, or other public agency at the time of formation, (ii) has been irrevocably offered for dedication to a public agency, or (iii) is designated with specific boundaries and acreage on a Final Subdivision Map as property which will be owned by a public agency. For purposes of this definition, a public agency includes the federal government, the State of California, the County or the City.

**“Single Family Attached Property”** means, in any Fiscal Year, all Parcels of Developed Property for which a building permit was issued for construction of a residential structure consisting of two (2) or more Units that share common walls, have separate Assessor’s Parcel numbers assigned to them, and are offered as for-sale Units, including such residential structures that meet the statutory definition of a condominium contained in California Civil Code Section 1351.

**“Single Family Detached Property”** means, in any Fiscal Year, all Parcels of Developed Property for which a building permit was issued for construction of a Unit that does not share a common wall with another Unit.

**“Special Tax”** means the Special Tax levied in each Fiscal Year on each Assessor’s Parcel of Taxable Property to fund the Special Tax Requirement.

**“Special Tax Requirement”** means the amount, as determined by the Administrator, for any Fiscal Year to: (i) pay the costs of providing the Authorized Services during such fiscal year, (ii) pay Administrative Expenses associated with the Special Tax, (iii) establish or replenish the Operating Reserve Fund, (iv) establish or replenish the Capital Replacement Reserve Fund, (v) pay incidental expenses related to the Authorized Services as authorized pursuant to the Act, (vi) fund the shortfall, if any, in the Special Tax revenues collected in the preceding Fiscal Year where such shortfall resulted from delinquencies in the payment of Special Taxes in such Fiscal Year that exceeded the estimated Special Tax delinquency amount included in the Special Tax Requirement for the preceding Fiscal Year, less (vii) any excess funds available in the Operating Reserve Fund, Capital Replacement Reserve Fund, or other funds associated with the CFD as determined by the Administrator.

**“State”** means the State of California.

**“Taxable Property”** means all of the Assessor’s Parcels within the boundaries of the CFD that are not Exempt Property.

**“Tax Zone”** means a mutually exclusive geographic area within which the Special Tax may be levied pursuant to this RMA. Additional Tax Zones may be created when property is annexed to the CFD and a separate Maximum Special Tax shall be identified for property within the new Tax Zone at the time of such annexation. All of the property within the boundaries of the CFD and at the time of formation of the CFD are in either Tax Zone No. 1 or Tax Zone No. 2.

**“Tax Zone No. 1”** means all property located within the area identified as Tax Zone No. 1 in Exhibit A to this RMA, subject to the interpretation of the Administrator as described in Section B.

**“Tax Zone No. 2”** means all property located within the area identified as Tax Zone No. 2 in Exhibit A to this RMA, subject to the interpretation of the Administrator as described in Section B.

**“Undeveloped Property”** means, in any Fiscal Year, all parcels of Taxable Property in the CFD for which a building permit for new construction was not issued by June 30th of the preceding Fiscal Year.

**“Unit”** means an individual single-family detached unit, or an individual attached residential unit within a duplex, triplex, four-plex, townhome, condominium, or apartment structure.

## **B. ASSIGNMENT TO CATEGORIES OF SPECIAL TAX**

Each Fiscal Year, beginning with Fiscal Year 2018/19, using the definitions above, each Assessor’s Parcel within the boundaries of CFD No. 2018-01 shall be classified by the Administrator as Taxable Property or Exempt Property. Commencing with Fiscal Year 2018/19 and for each subsequent fiscal year, Taxable Property shall be subject to the levy of Special Taxes pursuant to Section C below. In addition, in each such Fiscal Year, each Assessor’s Parcel of Taxable Property shall be further classified by the Administrator as Developed Property or Undeveloped Property.

## **C. MAXIMUM SPECIAL TAX RATE**

The Maximum Special Tax for any Assessor’s Parcel classified as Developed Property or Undeveloped Property shall be determined by reference to the following tables:



**TABLE 1**

**Tax Zone No. 1 – Copperleaf**  
**Maximum Special Tax Rates**  
**Community Facilities District No. 2018-01**  
**Fiscal Year 2018/19**

<b>Taxable Property Type</b>	<b>Maximum Special Tax</b>
Single Family Residential	\$855.12 per parcel
Multi-Family Residential	\$513.07 per unit
Condominium-Townhome	\$641.34 per parcel/unit
Commercial	\$3,420.48 per acre
Hotel	\$342.05 per room
Industrial	\$1,710.24 per acre
Vacant-Undeveloped	\$213.78 per acre

**TABLE 2**

**Tax Zone No. 2 – Rancho Vista**  
**Maximum Special Tax Rates**  
**Community Facilities District No. 2018-01**  
**Fiscal Year 2018/19**

<b>Taxable Property Type</b>	<b>Maximum Special Tax</b>
Single Family Residential	\$1,091.14 per parcel
Multi-Family Residential	\$654.68 per unit
Condominium-Townhome	\$818.36 per parcel
Commercial	\$4,364.56 per acre
Hotel	\$436.46 per room
Industrial	\$2,182.28 per acre
Vacant-Undeveloped	\$272.78 acre

Under no circumstances will the Special Tax levied against any Assessor's Parcel be increased because of delinquency or default by the owner of any other Assessor's Parcel within the CFD by more than ten percent (10%) above what such Special Tax would have been in the absence of delinquencies.

### Escalation of the Maximum Special Tax

Each Fiscal Year following the Base Year, the Maximum Special Tax shall be increased in accordance with the Annual Tax Escalation Factor and otherwise adjusted as provided in this Rate and Method of Apportionment of Special Tax.

### **D. METHOD OF APPORTIONMENT OF SPECIAL TAX**

Commencing with Fiscal Year 2018/19, and for each subsequent Fiscal Year, the Administrator shall levy the Special Tax at the rates established in Section C on all Taxable Property within the boundaries of CFD No. 2018-01 until the total amount of Special Tax levied equals the Special Tax Requirement. The Special Tax shall be levied each Fiscal Year as follows:

1. The Special Tax shall be levied proportionately on each Assessor's Parcel of Developed Property up to one hundred percent (100%) of the applicable Maximum Special Tax.
2. If additional monies are needed to satisfy the Special Tax Requirement after Developed Property has been levied one hundred percent (100%) of their Maximum Special Tax, the remaining amount needed to satisfy the Special Tax Requirement shall be levied proportionately on each Assessor's Parcel of Undeveloped Property at up to one hundred percent (100%) of the Maximum Special Tax.

### **E. EXEMPTIONS**

The Administrator shall classify the following as Exempt Property: Public Property and Assessor's Parcels with public or utility easements making impractical their utilization for any use other than the purposes set forth in the easement.

If the use of an Assessor's Parcel changes so that such Assessor's Parcel is no longer eligible to be classified as Exempt Property under this section, such Assessor's Parcel shall be deemed to be Taxable Property.

### **F. PREPAYMENT OF SPECIAL TAX**

The Maximum Special Tax may not be prepaid and shall continue to be levied in accordance with Section D of this Rate and Method of Apportionment of Special Tax on an annual basis on all Taxable Property in the CFD for the purpose of funding the ongoing Authorized Services.

## **G. TERM OF THE SPECIAL TAX**

Parcels in the CFD will remain subject to the Special Tax in perpetuity, unless and until such time the City determines the revenues are no longer needed, in which case the Special Tax shall cease to be levied and the City shall direct the County Recorder to record a Notice of Cessation of Special Tax. Such notice will state that the obligation to pay the Special Tax has ceased and that the lien imposed by the Notice of Special Tax Lien is extinguished. The Notice of Cessation of Special Tax shall additionally identify the book and page of the Book of Maps of Assessment and Community Facilities Districts where the map of the boundaries of the CFD is recorded.

## **H. REVIEW/APPEALS**

The Administrator may establish such procedures, as it deems necessary to undertake the review of any such appeal of any property owner. The Administrator shall interpret this Rate and Method of Apportionment of Special Tax and make determinations relative to the annual administration of the Special Tax and any property owner appeals, as herein specified.

Any property owner who believes that the amount of the Special Tax levied on their Assessor's Parcel is in error shall first consult with the Administrator regarding such error. If following such consultation, the Administrator determines that an error has occurred, the Administrator or designee shall take any of the following actions to correct the error:

- Amend the Special Tax levy on the property owner's Assessor's Parcel(s) for the current fiscal year,
- Require the CFD to reimburse the property owner for the amount of an overpayment to the extent of available CFD funds, or,
- Grant a credit against, eliminate or reduce the future Special Taxes on the property owner's Assessor's Parcel(s) for overpayment for the current fiscal year.

If following such consultation and action (if any by the Administrator), the property owner believes such error still exists, such person may file a written notice with the City Manager appealing the amount of the Special Tax levied on such Assessor's Parcel. If following such consultation and action (if any by the City Manager), the property owner believes such error still exists, such person may file a written notice with the City Council appealing the amount of the Special Tax levied on such Assessor's Parcel. If the City Manager, City Council or designee determines an error exists, the CFD Administrator shall take any actions as described in this section, in order to correct the error. The decision of the City Council shall be final and binding to all persons.

## **I. INTERPRETATIONS**

The City reserves the right to make minor administrative and technical changes to this document that does not materially affect the Rate and Method of Apportionment of Special Taxes. In addition, the interpretation and application of any section of this document shall be left to the City's discretion. The City may make interpretations by ordinance or resolution for purposes of clarifying any vagueness or ambiguity in this Rate and Method of Apportionment of Special Tax.

## **J. MANNER OF COLLECTION**

The annual Special Tax shall be collected in the same manner and at the same time as ordinary ad valorem property taxes; provided, however, that the Administrator, may, at the sole discretion of the City, directly bill the Special Tax, and may collect the Special Taxes at a different time or in a different manner as necessary to meet the financial obligations of CFD No. 2018-01 or as otherwise determined appropriate by the Administrator.

## **K. REPEAL OF SPECIAL TAX**

If the levy of the Special Tax is repealed by initiative or any other action participated in by the property owners of Assessor's Parcels in CFD No. 2018-01, the City shall cease to levy the Special Tax and shall cease to be obligated to provide the Authorized Services for which the Special Tax was levied. The obligation to provide the Authorized Services previously funded by the repealed Special Tax shall become the joint obligations of the property owners of Assessor's Parcels within CFD No. 2018-01.

# APPENDIX A

A copy of the Boundary Map for the CFD is on the following pages.

**PROPOSED BOUNDARIES OF  
CITY OF SAN JUAN BAUTISTA  
COMMUNITY FACILITIES DISTRICT NO. 2018-01  
(PUBLIC SERVICES)  
COUNTY OF SAN BENITO  
STATE OF CALIFORNIA**

The CFD Future Annexation Area is co-terminous with the boundary of the City of San Juan Bautista combined with the City's Sphere of Influence as of February 16, 2016.

Reference is hereby made to the Assessor maps of the County of San Benito for a description of the lines and dimensions of these parcels.

Assessor Parcels within C.F.D. No. 2018-01 (Public Services):	
002-220-009	002-610-023
002-610-007	002-610-024
002-610-008	002-610-025
002-610-009	002-610-026
002-610-010	002-610-027
002-610-011	002-610-028
002-610-012	002-610-029
002-610-013	002-610-030
002-610-014	002-610-031
002-610-015	002-610-032
002-610-016	002-610-033
002-610-017	002-610-034
002-610-018	002-610-035
002-610-019	002-610-036
002-610-020	002-610-037
002-610-021	002-610-038
002-610-022	002-610-039
	002-610-040
	002-610-041
	002-610-042
	002-610-043
	002-610-044
	002-610-045
	002-610-046
	002-610-047
	002-610-048
	002-610-049
	002-610-050
	002-610-051
	002-610-052
	002-610-053
	012-100-018

(1) Filed in the office of the Clerk of the City of San Juan Bautista this \_\_\_\_ day of \_\_\_\_, 2018.

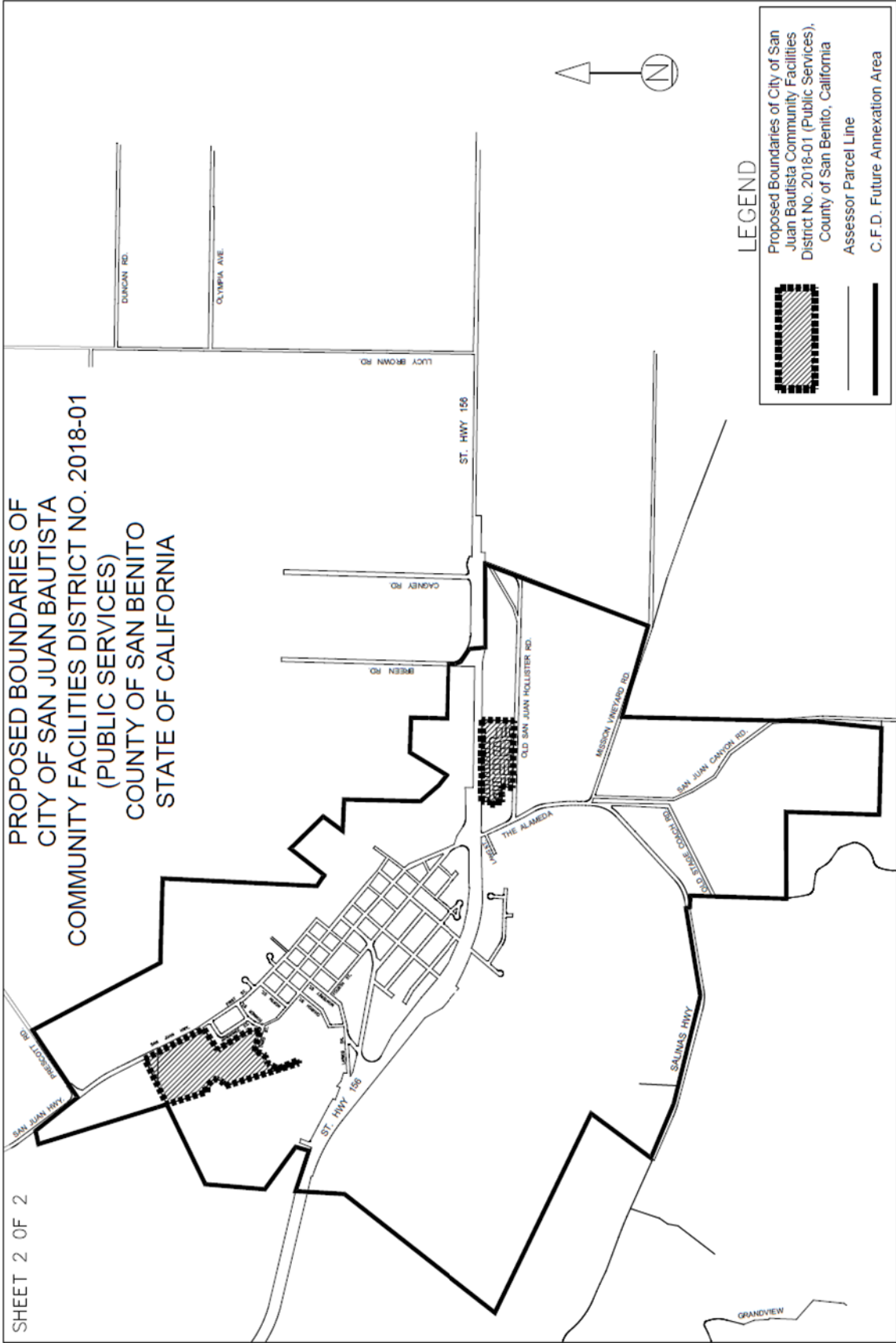
Mackenzie Quaid, City Clerk of San Juan Bautista

(2) I hereby certify that the within map showing the proposed boundaries of City of San Juan Bautista Community Facilities District No. 2018-01 (Public Services), County of San Benito, State of California, was approved by the City Council of the City of San Juan Bautista at a regular meeting thereof, held on this \_\_\_\_ day of \_\_\_\_, 2018, by its Resolution No. \_\_\_\_\_.

Mackenzie Quaid, City Clerk of San Juan Bautista

(3) Filed this \_\_\_\_ day of \_\_\_\_, 2018, at the hour of \_\_\_\_ o'clock \_\_m, in Book \_\_\_\_ of Maps of Assessment and Community Facilities Districts at Page \_\_\_\_ and as Instrument No. \_\_\_\_\_ in the office of the County Recorder in the County of San Benito, State of California.

Joe Paul Gonzalez  
County Clerk-Auditor-Recorder of San Benito County  
By \_\_\_\_\_ Deputy  
Fee \_\_\_\_\_  
Exempt recording requested,  
per CA Government Code §6103



# APPENDIX B

## City of San Juan Bautista Community Facilities District No. 2018-01 (Maintenance Services)

The list of Authorized Services and associated costs shown below will be used to determine the Maximum Special Tax for all future annexations (Tax Zones) to the CFD.

AUTHORIZED SERVICE - MAINTENANCE	UNIT	COST PER UNIT/ITEM
Park Maintenance	SF	\$0.12
Utilities - Water*	1K GL	\$6.35
Street Trees	EA	\$10.00
Landscape Maintenance	SF	\$0.12
Open Space Maintenance	SF	\$0.12
Detention Basin	SF	\$0.12
Wetlands Maintenance	SF	\$0.12
Lift Station	Mo	\$450.00
Irrigated Slope Maintenance	SF	\$0.12
Non-Irrigated Slope Maintenance	SF	\$0.06
Chain Link Fencing	LF	\$0.10
Wood/Wire Fencing	LF	\$0.07
Split-Rail Wood Fencing	LF	\$0.07
Fitness Stations	Mo	\$20.00
Play Structure 2-5 Years of Age	Mo	\$5.00
Play Structure 5-12 Years of Age	Mo	\$5.00
Fitness/Walking Trail	SF	\$0.07
Maintenance Road	SF	\$1.00
Sound Wall - Painting & Graffiti Abatement	SF	\$0.10
Sound Wall - Tile Replacement	LF	\$0.10
Mosquito Abatement	Mo	\$55.00
Street Lights - Maintenance & Utilities	EA	\$30.00
Street Sweeping	SF	\$0.02
Throughout Interior of Tract - Storm Drains	EA	\$7.50
* 1K GL = 1, 000 gallons. City cost is \$6.35 per 1,000 gallons of water used.		



## **APPENDIX B (Cont'd)**

**City of San Juan Bautista  
Community Facilities District No. 2018-01  
(Maintenance Services)**

<b>AUTHORIZED SERVICE - REPLACEMENT</b>	<b>UNIT</b>	<b>COST PER UNIT/ITEM</b>
Street Lights - Pole Replacement	EA	\$3,000.00
Street Lights - LED Power Module	EA	\$150.00
Street Lights - LED Optical Module	EA	\$750.00
Street Maintenance - Slurry Seal/Chip Seal	SY	\$5.70
Street Maintenance - Crack Repair	SY	\$2.40
Street Maintenance - Overlay	SY	\$27.00
Sidewalks - Repair/Replace	SF	\$7.00
Irrigation Controllers	EA	\$3,500.00
Lift Station Well & Piping	EA	\$150,000.00
Lift Station Controls	EA	\$5,000.00
Lift Station Pump	EA	\$8,500.00
Sound Wall	SF	\$1.50
Fitness Station	EA	\$5,500.00
Play Structure 2-5 Years of Age	EA	\$19,500.00
Play Structure 5-12 Years of Age	EA	\$28,500.00
Chain Link Fencing	LF	\$12.00
Wood/Wire Fencing	LF	\$12.00
Split-Rail Wood Fencing	LF	\$12.00
Cluster Mail Boxes	EA	\$2,500.00

## **APPENDIX B (Cont'd)**

**City of San Juan Bautista  
Community Facilities District No. 2018-01  
(Maintenance Services)**

<b>AUTHORIZED SERVICE - ADMINISTRATION</b>	<b>UNIT</b>	<b>COST PER UNIT/ITEM</b>
City Personnel <sup>1</sup>	EA	Varies
Operating Reserve <sup>2</sup>	EA	Varies
District Administration <sup>3</sup>	EA	Varies
Rounding Factor <sup>4</sup>	EA	Varies
County Costs	P/Pcl	\$0.30

<sup>1</sup> 10% of Maintenance Costs, divided by # of parcels

<sup>2</sup> 10% of Maintenance Costs, divided by # of parcels

<sup>3</sup> Varies with development, divided by # of parcels

<sup>4</sup> Required to make the Special Tax amount an even penny for tax roll purposes

# **APPENDIX C**

The 2018/19 Special Tax Rolls for each Tax Zone are shown on the following pages.

Lot No.	APN	OWNER	PARCEL TYPE	EDU UNITS	EDU FACTOR	TOTAL EDU'S	RATE PER EDU	2018/19 MAXIMUM	2018/19 APPLIED
								SPECIAL TAX	SPECIAL TAX
1	002-610-007	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
2	002-610-008	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
3	002-610-009	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
4	002-610-010	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
5	002-610-011	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
6	002-610-012	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
7	002-610-013	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
8	002-610-014	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
9	002-610-015	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
10	002-610-016	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
11	002-610-017	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
12	002-610-018	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
13	002-610-019	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
14	002-610-020	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
15	002-610-021	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
16	002-610-022	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
17	002-610-023	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
18	002-610-024	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
19	002-610-025	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
20	002-610-026	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
21	002-610-027	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
22	002-610-028	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
23	002-610-029	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
24	002-610-030	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
25	002-610-031	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
26	002-610-032	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
27	002-610-033	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
28	002-610-034	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
29	002-610-035	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
30	002-610-036	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
31	002-610-037	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
32	002-610-038	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
33	002-610-039	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
34	002-610-040	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
35	002-610-041	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
36	002-610-042	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
37	002-610-043	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
38	002-610-044	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
39	002-610-045	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
40	002-610-046	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
41	002-610-047	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
42	002-610-048	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
43	002-610-049	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
44	002-610-050	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
45	002-610-051	San Juan Edenbridge, LP	SFR	1.00	1.00	1.00	\$855.12	\$855.12	\$855.12
		<b>TOTALS:</b>		<b>45.00</b>		<b>45.00</b>		<b>\$38,480.40</b>	<b>\$38,480.40</b>

[illegible]

[illegible]